

TAKEAWAY, RESOURCES, AND ASSIGNMENTS

Chapter 2, Takeaway:

- There are four types of customers that a business can serve:

1. Commodity limited budget customers. | [Old Navy](#) 2. Sophisticated, on a budget value-oriented

customers. | [Levis](#)

3. Premium customers. | [Ralph Lauren](#)

4. Hyper luxury customers. | [Louis Vuitton](#)

As a small business, we try to position our products and services toward No.2 and 3.

Why people buy products?

1- People buy products and services as a solution for physical, mental, or emotional challenges.

- 2- People buy products to fulfill a desire.
- 3- People buy products to avoid pain and fear.
- 4- People buy products and services to resolve a conflict.

- Human Desires:

- 1. Acceptance, the need for approval.
- 2. Curiosity, the need to learn.
- 3. Eating and the craving for food.
- 4. Family, the need to belong, and raising children.
- 5. Independence, the need for individuality.
- 6. Health, the need for a healthy mind and body.
- 7. Power, the need for influence and prestige.
- 8. Romance, the need for love and sex.
- 9. Social contact, the need for friendship.
- 10. Tranquility, the need to be safe.
- 11. Happiness, the need to be fulfilled.

Different People will strive to achieve different desires at whatever cost it takes. "don't sell products and services, promote desires, dreams, hopes, and opportunities."

Examples:

- Parents work hard to spend a significant portion of their income on Disney land and bring the family together "**Happiness.** "
- An Employed lady works hard to spend her last three months' salary on a luxury bag, "**Achievement and Social Power.**"
People pay extra money to buy premium insurance that might never use "Security. "

- **Human Fears:**

1. Fear of loneliness
2. Fear of death
3. Fear of being a coward
4. Fear of getting old
5. Fear of losing

Injecting some kind of "**ethical**" fear is critical if you want your audience to take action.

Examples:

- "Old and wealthy people fear not being loved."
- "Young and fit men fear sudden death."
- "Ex-army soldier fear being a coward."

- "Beautiful model fear of getting old."
- "Father/Mother fear of losing a child."

- **Wants and Dislikes:**

Understand that most people will afford your product at a full price **"IF"** it makes them look and feel **(Wants)**:

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- **Wants and Dislikes:**

Understand that most people will afford your product at a full price **"IF"** it makes them look and feel **(Wants)**:

1. Smart
2. Cool

3. Funny
4. Trust-worthy
5. Accountable
6. Ambitious
7. Powerful

Examples:

- "People bought an iPod because it made them look cool and not because it's an Mp3 player."

- "People spend a \$100K/year on Harvard Business MBA program not because it's the best business school "hardly," but because it made them look and feel trustworthy, accountable, and powerful.

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And people will pay whatever it takes to avoid things that make them be perceived and feel (**Don't want**):

- Stupid
- Boring
- Cheap
- Unaccountable
- Guilty
- Failure

Types of human conflicts:

1. Human Vs. Self: Humans throughout their lives have to deal with solving and improving many aspects of their lives.

Example: [1st Phorm: 2020 Winter Performance Release](#)

2. Human Vs. Human: People daily deal with others to do business or be in a relationship, and throughout this process, there would be some conflicts between each because of looking after one's self-interest.

Example: [SHOWTIME: Couples Therapy](#)

Human Vs. Society: Humans live within a community of different people with different beliefs, habits, and social status. Most people of our modern age will strive to advance in society to become wealthier, have more free time, and look more prestigious.

Example: [Jennifer Aniston TV commercial A380 Emirates Airline](#)

Human Vs. Tools and Technology: We use different tools and technologies to accomplish tasks; developing those tools and techniques to make things faster, easier, safer, more

elegant, convenient, and affordable is always an excellent strategy to replace the one product with new ones.

Example: [Chatbooks: Create Photo Books from Your Phone](#)

- Your product should be a **stress relief** for a problem or a **desirable dream** for a higher self- image future.

- **Key customers demographics that affect buying decision:**

1. Location
2. Education level
3. Occupation
4. Annual income
5. Marital status
6. The number of children
7. Religion
8. Ethnic groups
9. Gender
10. Age

- **Niche-down your product and serve customers who are looking for:**

- Homemade products.
- Handmade products.
- Gluten-free products.
- Personalized products.
- Organic and healthy products.
- Locally made products.
 - Different people buy different solutions with the same outcome for various reasons, always try to understand your customer's **struggles** and **conditions**, then find a solution tailored toward that specific customer.

Example:

Let's assume that you want to develop a workout program, and you are not clear on

what type of product you should come up with, your goal is to be specific about who your target audience is.

1. People who dislike the gym and can afford personal home training. | e.g., [Find your trainer](#)
2. People who like gym and can afford personal training. | e.g., [Royal personal training](#)
3. People who like gym and can afford group training. | e.g., [The wall](#)
4. People who are highly motivated and can only afford online training. | e.g., [Train with kickoff](#)
5. People who are highly motivated and can only afford a mobile app. | e.g., [Jefit](#)

6. People who can not manage to stick with a workout training and would prefer to lose weight with a diet program. | e.g., [Hello Fresh](#)

We can achieve such a result by applying the following formula:

For a specific group of people with a particular problem, I will deliver a solution that provides a particular value and transforms their current situation to a specific outcome.

Example:

For working and overweight mom, with low-income less than 25k/year, who is looking to lose a few extra pounds, gain back her self-confidence and feel attractive.

I will provide an efficient step-by-step workout system that guides her to lose 10 pounds in 3 months with a cost of less than \$10 a month.

Who is my target audience?

- Overweight, low-income working moms.

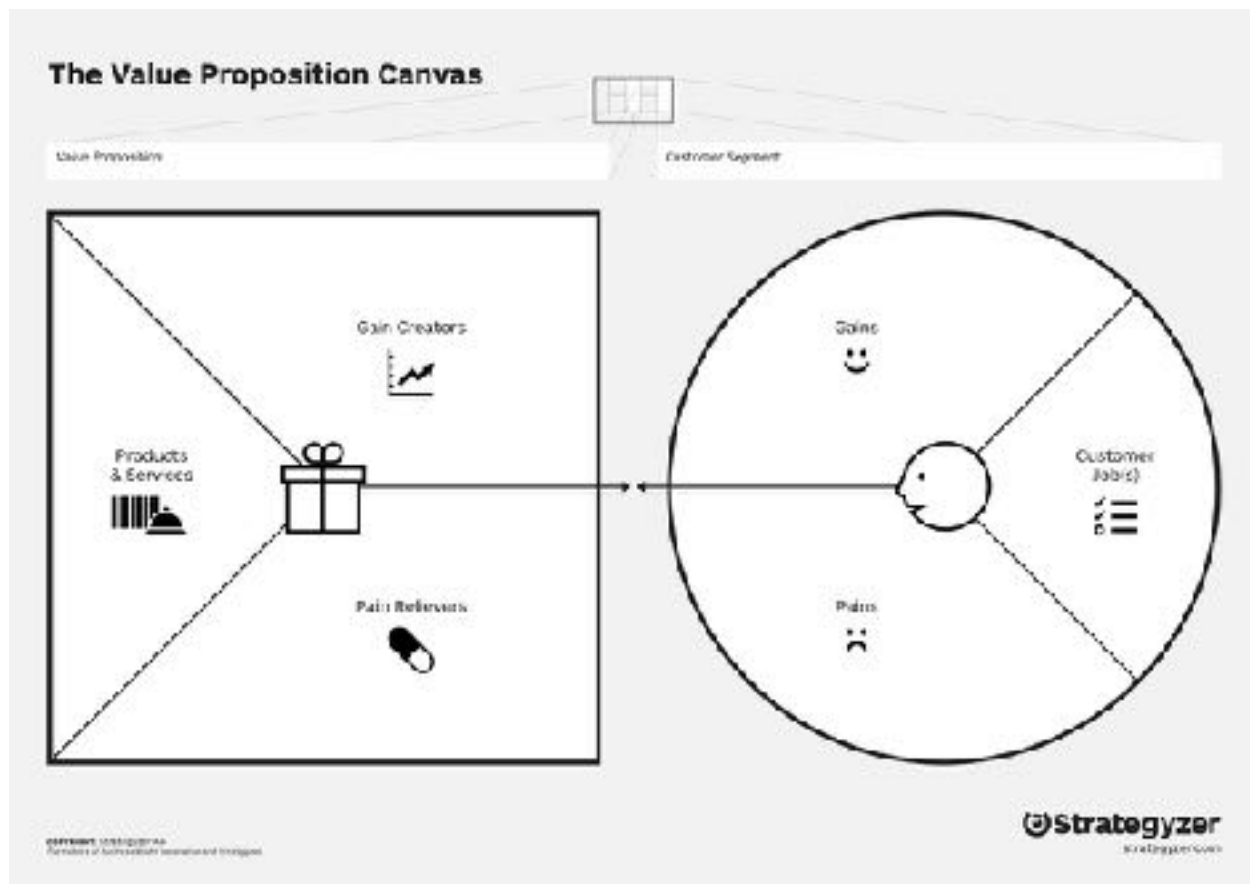
What do they want?

- They want to lose weight.

How can I help them reach that goal?

- Offer them an efficient and low-cost workout system.

Let's look have another look at the [Strategyzer.com](https://www.strategyzer.com) value proposition canvas.



Specific Customer + Problem | E.g., Working & overweight mom. → **Product & Services (Solution)** | E.g., Step-by-step workout system.

Pains | E.g., No time. → **Pain Relievers** | E.g., 30 minutes a day.

Gains | E.g., Fit body. → **Gains Creators** | E.g., Lose 10 pounds in 3 months.

Other resources:

[Alomoves.com](https://aloomoves.com) is a platform that sells one product (Yoga mini-courses) to many groups of customers, notice how they position each course to speak to a diverse group of people wants, and motivations.

- [KHALSA WAY PRENATAL YOGA](#)
- [PRIMAL STRENGTH](#)
- [YOGA FOR HIKERS](#)
- [SLOW AND STEADY](#)
- [THE PYRAMID: STACKED](#)

Chapter 2 Assignment, Step 1:

I would like you to research a specific group of community around a shared problem; you can choose your industry or an industry you are interested in.

Tools:

- [Google.com](https://www.google.com)
- [Quora.com](https://www.quora.com)
- [Answers.yahoo.com](https://answers.yahoo.com)

Keywords to research:

- I'm frustrated with + Your Topic.
- Sick of + Your Topic.
- Afraid of + Your Topic.
- Tired with + Your Topic.
- Hate to + Your Topic.

- How to + Your Topic.
 - Look for communities, blogs, and forums with articles that have high readership and comments.
 - Go through the entire article and highlight:
- Problems, current situation, pains, fears, frustrations, hopes.
- Current job and family responsibilities and pressure.
- Interests, hobbies, age, marital status, income if available.

- Try not to judge, listen to their fears and frustrations, what makes them sad or ashamed, what kind of problems do they have, and how it affects their lives?

From August 2011 Birth Club

Frustrated with baby and feeling guilty...



Pamela10002011

My DD (dear daughter) is a fussy and high-needs baby. She hates her carseat and car rides, needs to be carried and moving at all times, never naps, gets colic from 5pm-10pm every day, and has recently begun waking up to nurse almost every hour during the night.

I love DD (dear daughter) more than anything and we do have tons of wonderful, happy moments together, but I feel like I've been running on a short circuit lately. Today, DD (dear daughter) and I had to run errands. On the ride home, DD (dear daughter) of course starts screaming. I got so overwhelmed and upset that I yelled back at her, "What is your problem? Stop crying! What can you possibly need?" I stopped dead in my tracks. That is so completely not me. I always try to soothe her and tell her that it's ok and that we're almost home, and I know that she is just a sweet little baby who wants to be snuggled and is still trying to get used to this big world...it's not her fault and I feel so guilty for getting so frustrated! I feel like a terrible mother! 🙄

Sorry to vent, but I just needed to share with other moms who might understand. anyone BTDT (been there, done that) and have advice on how to avoid frustration? 🙏



Nour Solutions | Nouriz.com

- If they hired you as a consultant, how would you transform their current situation to a better and more comfortable one? What kind of solution would fit them the best?

Remember, it's not about your product, it's about the transformation.

- Search for images, YouTube videos, and interviews around the problems of your topic, don't underestimate the power of visualization.

- If you are studying a lifestyle business, then consider their visual language, how do they look, any specific colors or patterns? How do they communicate?

Note: Use websites such as [Pinterest](#), [Instagram](#), and [Tumblr](#) to come up with a visual board and mood of your target audience.



Chapter 2 Assignment - Step 2:

Once you gather all of that information, you can move to section 2 of this assignment,

which is a clear plan of your target audience and how to deliver a value that benefits them.

Target audience plan includes:

- What type of people do you want to serve?
- What is their limitation?
- What are their frustrations, fears, and pain points?
- What motivates them?
- Where can you find them? Collect websites, articles, and forums links.
- How can you reach out to them? Are they influenced by specific influencers or bloggers? Who are they? Do they gather in particular locations and meetings?

Take your time and do this part correctly; this research and planning will save you so much time and money for product creation and marketing.

If you have questions, please let me know in the course Q&A section. I will see you in the next video.

Note: Please check the attached files that come along with this week's resources.

Downloadable Resources for this lecture: -
Customer Avatar Worksheet.pdf