

# SAFA Entrepreneurial Lesson

**Consumer Market**

# What is a consumer market?

— — —

A valuable skill for an entrepreneur to develop is to know their consumer market.

A consumer market is a market where goods and services are traded.

There are 4 types of consumer markets, but the one that we will be concerned about is the one centered around consumer products. The other three are centered around food & beverage, retail, and transportation.

A consumer is NOT the same as a customer. A customer is the one who is purchasing the product you are selling, but a consumer is the one who purchases the product for personal use. It is important to know the difference for marketing purposes.

# Why is knowing your consumer market so important?

---

Knowing your consumer market is essential for effective marketing efforts.

Afterall, the product is serving as a solution for the problems that a consumer has. This is why you target the problem that your product solves to the consumer base, in order to optimize the attention you receive from advertising efforts.

It is also good to know your consumer market so that you can receive constructive feedback on your product. This allows you to make changes to the design and increase its demand.

# How to identify your consumer markets?

— — —

In order to identify your consumer market, you need to ask yourself who would use the product.

Or more specifically, you should find which people experience the problems that your product solves.

What people characteristics build up directly or indirectly to experiencing the problem you hope to solve with your product.

# Activity Time

— — —

In your entrepreneur journal, write down a few characteristics of the type of people who would have the problem that your product is trying to solve. These characteristics will form your consumer base.