

The YEBDC Small Business Information Column

by Sue Gingerich, Business Advisor

"Understanding Human Behaviour"

Understanding our customers is often the key to business success. Yet this is easier said than done. Customers are complex creatures. They appear to have a mind of their own and once made up, difficult to change. So how can a business understand their customers better? If they are so complex, how can a business hope to get into their customers' mind?

Well, first of all a business needs to realize that all "people" customers, base their buying on their needs. Everyone's needs are different. And why are everyone's needs different? Well, because of their experiences. Of course, you are saying, how does this help me, if all my customers are so different? What you need to look at are ALL the things, that ALL your customers might have in common. What.....

- attitudes,
- beliefs,
- perceptions, do your customers share in common?

A way to understand what a customer's attitudes and beliefs might be, is to study the things in his/her world that influence him/her:

peers	friends
family	wife, husband, brothers, sisters, parents even kids
associates	co-workers, informal associations and clubs
opinion leaders	people whom they look up to as the most knowledgeable in their field, could be a teacher, a celebrity or even someone who is known to be the first to try new things.
culture	religion, ethnic origin, language
subculture	regional cultures
social class	upper, middle, working or lower

From this information create a psychographic profile of your customers. Psychographic refers to the customer's attitudes, beliefs, self-image, lifestyle and personality. We may be able to determine some of his buying behaviour if we are able to profile his psychographic characteristics.

By understanding our customer's psychographic nature, we may be able to better understand his needs. This will help us to stock products that are suited to our customers. It will also help us to know how to advertise and present our product or service to our customer better. We can now present it in a way that it will show him/her how it will suit his/her needs, or solve their problems.

Remember there are other influences such as the media and your competition at work influencing your customers as well.

So, you may not be able to change your customer's mind, but at the very least you should be able to understand it. If you understand your customer's mind then you can adapt your business to suit the needs and wants of your customers.

If you have a small business and have a question or problem that you think The YEBDC could help you with please call or write to: The Yellowhead East Business Development Corporation, Box 249, Sangudo, Alberta, T0E 2A0
1-800-556-0328 or 1-780-785-2900, e mail: yebdc@yebdc.ab.ca, or access our Website at:
www.yebdc.ab.ca

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