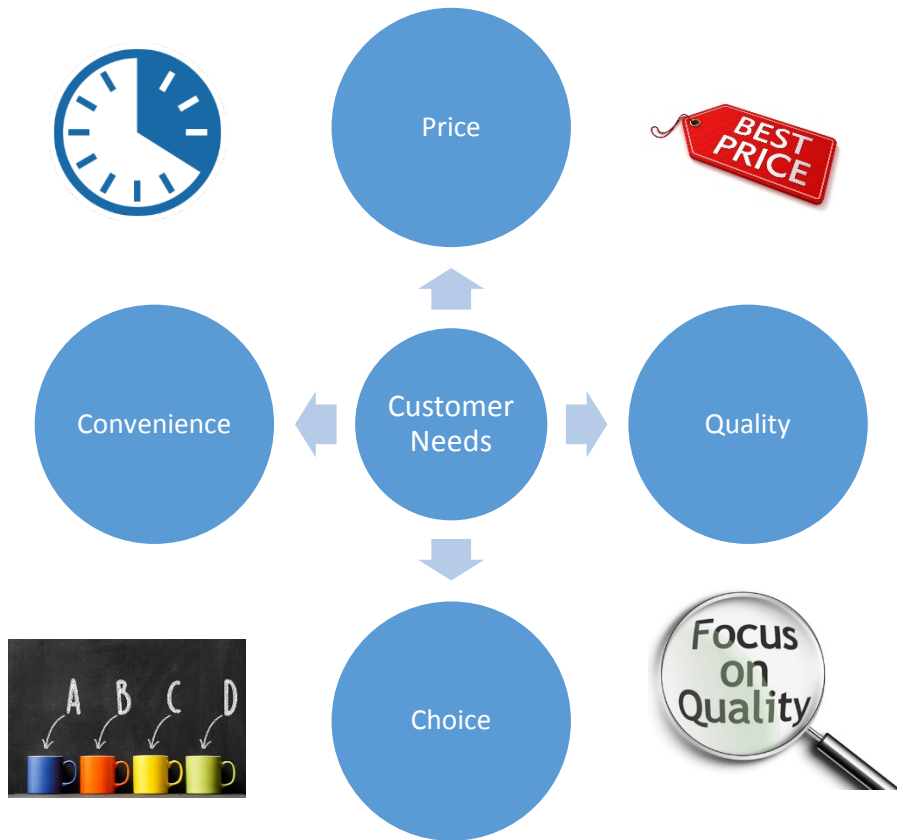


Subject Content	What students need to learn?
1.2.1 Customer needs	Identifying and understanding customer needs: <ul style="list-style-type: none"> • what customer needs are: price, quality, choice, convenience • the importance of identifying and understanding customers: generating sales, business survival.



Identifying and understanding customers

Identifying customers: Finding out who they are including the following:

- Age
- Gender
- Incomes
- Where they live
- What they want

Understanding customers: Learning why customers do what they do, making it easier to see how to make a product that better suits them.

If a business understands their customers, they can develop a product that they want to buy. As long as it is priced correctly, sold in the right place and marketed effectively, the business is likely to be successful.

They are more likely to generate high volumes and sales and survive for a long period of time.

Key Terms:

Price: For most people price is a critical factor when purchasing. The price point needs to be in line with the type of product and its key features.

Quality: To a customer quality means getting what they want or perhaps better than expected. Businesses aim to delight their customers.

Choice: Giving customers options and increasing the chance that the product will be perfect for the tastes/habits of one type of customer.

Convenience: Making life easier for customers, perhaps by a great location (next to a bus stop) or a product that saves time in preparation or consumption.