



Danube Transnational Programme

INDEED

COACH: Target Group & Market

INDEED

Innovation for
Dementia in the Danube Region

Project co-funded by the European Union
A stream of cooperation

Target Group & Market: Market analysis



A key part of any business plan is the **market analysis**. Here you analyse your target group and its needs (**demand side**) as well as your competitors, substitutes and the probability of new market entrants (**supply side**). The interaction between the demand and supply side – or in other words between customers who have specific needs and organizations who provide specific services or products – is referred to as **market**.

Having a good understanding of the market conditions will help you in making your project viable. It also gives you a clear idea of how you can be valuable for your target group and how can you differentiate yourself from other services or products.

Target Group & Market: Demand side/ Target group










Target group is defined as the specific group of people that you address with your project. It is important to tailor your service or product according to your target group's needs and preferences.

Customer segmentation is the process of dividing a potential customer base into groups of individuals that share specific characteristics. This helps you to analyse and address each target group's needs and preferences effectively.

You can segment your potential customers based on:

- Demographic criteria: age, gender, education, family status, ...
- Economic criteria: (pension) income, amount of care allowance, ...
- Geographic criteria: province, town, neighbourhood, ...
- Other: behaviour & habits, interests, attitudes & needs

It is useful to create a profile of a **prototypical customer** for each target group you aim to address!

 Ivana	Demographical segmentation  - 75 years old - Retired - Married to Stefan, who has mid-stage dementia	Geographical segmentation  - Small village in rural area	Economic segmentation  - Low income person
	Behaviour & habits  - Cares of her husband all by herself - Responsible for housework and cooking - Suffers from high blood pressure and osteoarthritis	Interests & attitudes  - Enjoys folk music - Handicraft enthusiast - Sceptical towards new technological developments	
Need  - Get some distraction - Exchange with others about her husband's illness			

Target Group & Market: Supply side

When analysing the supply side, the central question is:

How does my target group currently solve its problem?

There are at least three types of market players that you should consider in your analysis:

- 1) **Competitors:** Organizations from which your target group is currently obtaining the same service or product.
- 2) **Substitutes:** Organizations from which your target group is currently obtaining a service or product that offers similar benefits.
- 3) **New Entrants:** New organizations entering the market in the (near) future. They are going to provide the same service or product to your target group. It is less likely that new entrants will enter the market if they have to face many barriers (e.g. lack of funding, no support by public authorities, ...).



Target Group & Market: Unique Selling Proposition



The **Unique Selling Proposition (USP)** is what makes your project unique and valuable for your target group. It helps you to differentiate yourself from other services or products.

A Unique Selling Proposition can be created through:

- **Differentiation:** This means that you are more innovative, provide better quality or have a stronger image than other organizations.
- **Cost benefits:** This means that you provide your service or product at lower costs than other suppliers (e.g. through volunteer support).
- **Time benefits:** This means that you dedicate more time to your target group, offer short waiting times or extended opening hours.