

# CHAPTER 6 Market Analysis

## SOFTWARE ACTIVITY

## Database Application

**OBJECTIVE:** Develop customer profile for a business.

Businesses can no longer be successful with the strategy of trying to be all things to all people—they must focus. Entrepreneurs must clearly define the type of customer they are trying to reach. Business owners should also routinely monitor their customers to determine if they are reaching their target market.

### Practice Situation

You are a storeowner who wishes to develop a profile of frequent shoppers. You have just started collecting data from your customers. During the first hour of surveying, twenty customers were interviewed, and their responses are recorded on the printout below. The following demographic data is reported:

- gender (M or F)
- age (A=Under 21, B=21–35, C=36–45, D=46–55, E=Over 55)
- zip code
- income range (A=Under \$25,000, B=\$25,000–\$45,000, C=Over \$45,000)
- family size

Customer	Gender of Respondent	Age group of respondent	Zip code	Income Range	Family Size
1	M	A	29204	A	1
2	M	A	29211	A	1
3	M	B	29204	A	2
4	M	B	29211	B	2
5	F	C	29208	B	3
6	F	E	29208	C	2
7	M	D	29204	C	4
8	F	D	29204	B	3
9	M	B	29211	B	1
10	M	B	29208	B	1
11	M	B	29204	B	1
12	F	C	29204	B	2
13	F	D	29211	C	2
14	F	E	29204	B	5
15	F	D	29204	C	3
16	M	A	29210	B	1
17	M	A	29208	A	1
18	M	E	29211	B	2
19	M	C	29211	C	2
20	M	B	29204	A	1

## Database Directions

1. Start your database software program.
2. Recreate the table from the previous page using your spreadsheet program.
3. Sort the data by each of the following categories—gender, age, zip code, income, and family size. After each sort, save your work.
4. Print out a copy of your work if your teacher has instructed you to do so.
5. Answer the following questions.

### Interpreting Results

1. Based on the data presented, describe the profile of your core customer.

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2. Why is it important to know your customers' zip codes? How can entrepreneurs use this data?

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3. Why is it so important for an entrepreneur to develop a customer profile?

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### Drawing Conclusions

4. How does it benefit entrepreneurs to monitor their customers periodically to determine whether or not they match their target market?

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