

Five types of customers in the retail setting

[Business](#), [Management](#)



01 December 2008 Five Types s in the Retail Setting Knowing can propel a business organization to success. This is the philosophy which we live by everyday in the workplace. My assignment to the retailer outlets where our products are marketed has its advantages. For one, it enables me to meet a lot of people. Secondly, it introduces to me five types of customers shopping in our stores. Basically, there are five types of customers pushing their carts in retailers' aisles namely loyal, discount, impulse, need-based, and wandering customers (Hunter 3).

Loyal customers are what every store wants. These customers are estimated to make up only 20% of the buyers but represents 50% of the sales (3). They buy because they simply prefer the shop, feel they belong, and find it hard or even impossible to source their goods from other retailers. These loyal customers visit the stores at a specific interval and often buy everything that they need in the outlet.

Sale is the favorite word of discount customers. They are remarkable for their enthusiasm to find the retailer which can offer them the biggest bargain in order to maximize their purchasing power. Their main concern is the price and the attractiveness of the store is dependent on the amount of savings that they can get. They shop at stores frequently but wouldn't mind visiting another one when there are sales.

Impulse customers are those who make their to-buy lists but are often swayed into buying items which are outside of their planned list. These customers could buy on impulse after having a sudden strong craving for a food item while in the shops, or lured into a buying an item after seeing the benefits. These customers purchase what seems to be good at the time

without considering other important factors such as budget and timing of the purchase.

Need-based customers buy only those items that they need. They cannot be swayed by discounts and does not purchase products in a whim. They plan what they need in advance and go to the store intending only to buy what they have originally listed, no more, no less. These buyers are very much often hard to influence in their purchasing decisions.

What exactly would call customers who just want to hang out inside the stores without any intention to buy any time? They are wandering customers. Instead of the products, they just want the experience of being inside the store going from aisle to aisle and enjoying the community inside the store.

Knowing customers are essential in a business organization. As described above, each of the five types of customers have different needs which should be addressed by the retailer in order to maximize its sales. However, I do believe that the challenge really is how to transform each of the four customers into loyal ones.

Works Cited

Hunter, M. " The Five Types of Customers." About. com. n. d. 01 December 2008