Define Your Ideal Client

Everyone is not your customer

FINDING YOUR IDEAL CUSTOMER

When you try to be all things to all people, you wind up delivering a product that doesn't please anyone.

You may still sell your products and services to many people but your marketing will be most effective when you focus your message on a few specific audiences.

What do your best customers have in common?

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DEMOGRAPHICS

START WITH DEMOGRAPHICS

Whether you are a B2B or a B2C company, your best customers share traits in common. Look for the patterns among customers you have enjoyed working with in the past—and which have been profitable. This will help you paint a picture of the best customer for you.

Demographics are the observable characteristics, like age, race, company size, etc. Once you pick a target it's fairly easy to determine how many people or companies are in that segment by checking census and chamber of commerce data and other public records

CONSUMER DEMOGRAPHICS -

When marketing to consumers, you need to get to know them on a personal level.

Age matters; even if you're marketing the same brand of toothpaste, a 25 year old and a 65 year old have different expectations and needs that should be highlighted in your marketing.

Gender can play a larger or smaller role, depending on your product.

Income will determine the kind of language you use, where you place your product and a slew of other factors.

Jobs can drastically affect how you market—a stay-at-home parent has different triggers and needs than an executive.

BUSINESS DEMOGRAPHICS -

For B2B companies, your demographics are different.

Size of company can be measured in annual sales or number of employees. It is often easier to find out how many employees a company has and use that to approximate annual sales.

Industry gives you a broad overview at what these companies do—manufacturing, professional services, etc. Different industries will have dramatically different needs.

Age of company gives you an idea of how established a business is. Start up and early stage two companies are going to be willing to make very different investments than an established business with relatively stable cash flow.

Geographic area takes a look at the area they serve—are they local, national or international?

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COMPARING THE SEGMENTS

Not sure which segment will be the best fit?

This table is for B2C companies:

	SEGMENT A	SEGMENT B	SEGMENT C
AGE			
GENDER			
INCOME			
LIFESTYLE			
GEOGRAPHIC AREA			
BENEFITS SOUGHT			

For a B2B company, the table might look like this:

	SEGMENT A	SEGMENT B	SEGMENT C
SIZE OF COMPANY			
INDUSTRY			
AGE OR BUSINESS PHASE			
GEOGRAPHIC AREA			
BUSINESS OBJECTIVE			

While demographics give you a starting point, they don't give you a complete picture. That's where lifestyle and the specific benefits of your product come in to play. Does your product appeal to people with an active lifestyle or an interest in the arts or the environment? If you are targeting businesses, are they in growth mode, active in the local community or passionate about supporting non-profit causes? What are their business objectives?

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ZOOMING IN

Now that you've identified your potential market segments, it's time to determine which segment is really the best for you to focus on. Whether you're a B2B or a B2C company, complete this exercise with each of your segments:

Who makes buying decisions?

The end user of your product isn't always the one who makes the buying decisions. For instance, parents pay for children's clothes and have the final say, though the kids may give input.

Segment A: _____

Segment B: _____

Segment C: _____

As you look at the three potential audiences, which will be the easiest to reach?

What is the average sale size?

If you're selling widgets for $1, you have to sell a lot of them to turn a profit. If you're selling some high-tech piece of machinery for $10 million, you may only need to sell one to make your year. Does your price vary from segment to segment?

Segment A: _____

Segment B: _____

Segment C: _____

When does the customer buy your product or service?

People buy more ice cream in the summer than they do in the winter. They're more likely to order caffeinated coffee in the morning and decaf at night. Does your product have a similar purchase cycle?

Segment A: _____

Segment B: _____

Segment C: _____

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ZOOMING IN

(continued)

How long is the buying cycle?

Some products are impulse purchases made in the checkout line and others are researched for literally years. That length of time it takes to make a decision can factor into how you approach selling it.

Segment A: _____

Segment B: _____

Segment C: _____

How often will each segment buy?

Is this a product people will need every week, a service they'll pay for on retainer every month or a once-in-a-lifetime purchase?

Segment A: _____

Segment B: _____

Segment C: _____

How big is your target market?

It's great to go niche with your marketing, but you might need to broaden your horizons if you only market to Canadian lumberjacks named Sam who enjoy knitting. Sometimes, good marketing is about playing the numbers game.

Segment A: _____

Segment B: _____

Segment C: _____

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POSITION STATEMENT

CREATE A POSITION STATEMENT

Now that you've narrowed down your segments, which one(s) will you market to? It's okay to go after several, just make sure you have a unique position statement for each customer so they understand the benefits they're getting.

Knowing your target customer can help you grow your business and have better relationships with your customers.

STILL NOT SURE HOW TO DEFINE YOURS?

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