

Target Your Marketing

Here's my new mantra for all small business owners; "Don't try to be all things to all people". Because, when it comes to marketing, not all clients are equal, some are better for your business than others.

One question I always ask an audience when I am presenting a seminar is "Do you have clients or customers you like more than others?" Around the room hands always shoot up and the answer is always YES. Some like the clients that pay well, others like clients that appreciate what they do for them or those that come from a specific industry. But everyone agrees there are clients they would like to see less of and clients they want more of.

But when it comes to marketing most of us forget our favourites and dash around trying market after market or rely on bland mass marketing and just wait to see who phones or walks through the door.

So, the next time you think about marketing, think of it as a tool to get more of the clients you want and less of the ones you don't want. So instead of having one marketing message and just rolling it out there to see who trips over it, you will have specific marketing initiatives and messages to attract the customers or clients that are good for your business.

The first step is to work out what is your marketing boundary. This is where the majority of your potential clients come from and can be a combination of a number of factors including geographic area, demographic or age, industry or profession, sex, religion, ethnicity and general attributes to name a few. To give you an example; a company selling corporate grooming training could have a market boundary of all major corporations in Sydney and North Sydney with more than 50 sales or customer service staff. The boundary simply helps you to "draw a line" around a range of prospects.

You then have to work out who are the prospects within that boundary and how to reach them.

The way we achieve this is through market segmentation. If you have read any marketing textbooks, you'll know that a market segment is a group of individuals with similar attitudes and attributes. The smaller and tighter the segment the easier it is to target them. For instance, we could say that "all mothers" are a market segment. Although they have a few things in common, generally, they are not alike enough to be a segment. But if we were to say "all mothers of 2-year-old boys" they are much more likely to have the same attitudes and attributes, worries and concerns in relation to being a mum. The textbooks often suggest that you segment using statistical data on population, socio economic factors etc but I find this is difficult for small business owners to source, so I start by looking at attitudes and attributes.

The first step in market segmentation is to work out who are your existing clients. To do this you need a pen and a piece of paper, a cup of tea, glass of wine or beer, and half an hour.

Simply brainstorm all the different types of clients you see in your business. Don't just think about standard age groups, think about what makes them different. Once you have analysed existing clients add those groups you would like to see in your business but don't have at present. For example, a client of mine who sells established trees sells to landscape contractors, councils, garden designers and locals from the surrounding area. They would like to add large nurseries to the client list.

All of these types of clients have different attitudes and attributes, worries and concerns. Once you have identified the different types try and find out "who" will make the decision to buy the product or service.

You should now have lots of potential target clients on your list; the more the better, because this gives you a range of target markets to choose from.

However, we want to increase your chances of success, so you now need to evaluate those segments on three criteria:

- Potential for revenue/profit
 - Check out your accounts to get an idea of average spend, total revenue etc
- Ease of marketing and sales
 - Look at conversion rates from past sales and success rates with marketing
- Desirability
 - You don't have to justify this, it's your own personal love/hate rating

I usually score each out of 10 with 10 being the best and 1 the worst. Each criteria needs to be evaluated in isolation i.e. you can't give a low rating on potential for profit because you don't want to work with that segment. (Trust me it all works out in the end). You may find that a segment that rated 9/10 for profit is only a 1/10 on ease of sales marketing or an easy segment is not your favourite.

The aim is to find markets with high dollar, ease and desirability as your short term target markets. Those with high dollars but are likely to be difficult to reach and sell to could be a medium to long term target while those with low desirability or low potential for revenue/profit can be dropped or shelved for a later date.

At the end of the exercise, you will probably have selected 2 or 3 target markets for growth. So instead of trying to be all things to all people using mass marketing, these are the markets where you focus your proactive marketing energy. You can do this by:

- Reviewing your product or service to make sure it fits the market segment
- Developing a list of product benefits that can be used in marketing
- Tailoring your image and branding so it relates to your target markets
- Creating targeted marketing strategies that will reach to target clients
- Writing website pages, social media posts, newsletters that promote the benefits to your target market segments

Of course, this doesn't mean that if someone other than your target market wants to buy from you, you should tell them to "go away". The aim of target marketing is to focus your proactive marketing on the ones you want to see more of. Reactive marketing will look after the rest.

So, remember, it's okay to play favourites and make money through your marketing!