

with columnist Robert Ciccone



'Wide-right' and you're wasting money

Defining best customers best way to squeeze most from marketing budget

Let me start with an old marketing legend. The chairman of dog-food manufacturer Ralston Purina is sitting in on a strategy session. His marketing vice-president is raving about how the company should use geo-demographics to finely divide and target their market.

"We can target families with two or more kids ... we know if they drive sedans, pick-ups or minivans ... we know if they have university degrees ... we know their income levels ..." The marketing vice-president goes on, showing charts of all the different information his department has gathered, and all the market segments they can target as a result.

The chairman sits there, impassive. The vice-president is starting to sweat. He pulls out yet more charts and spreadsheets of profit growth.

Finally the chairman speaks. "Why do you want to do all this?"

"So we can tailor our messages and offers specifically for each segment," says the vice-president.

The chairman leans back and smiles. "First, though ... shouldn't we find out if they have dogs?"

Ouch! Now, what does this marketing legend have to do with you and your business?

Simply this. It's important that you define who your ideal client is – your target market. But it's equally important that you don't cast your net so wide that you are trying to sell dog food to people who don't have dogs.

Every day your prospects are exposed to as many as 1,500 to 2,000 ads or marketing messages. These ads appear on TV, radio, billboards, in newspapers and magazines, through the mail, and seemingly ev-

erywhere on the Web.

But surveys have shown that less than one percent of all those impressions stick for more than a fleeting moment. There are many reasons for this, one of which I call *wide-right*. Wide-right refers to when the right message hits the wrong market. When this happens, your marketing efforts are just a jumble of background noise or, as some might call them, junk – regarded as useless or little value.

Your challenge is to minimize the amount of your marketing and advertising that ends up as others' junk. Here is how to start.

Identify your ideal client – your target market. I know it's tempting to want to include everybody as a possible client. After all, why would you want to turn anybody away?

The result of trying to appeal to everybody is marketing that's too broadly based, with offers and messages undifferentiated from those for other, similar products and services.

So, how do you go about defining your ideal clients?

Start by looking at your current client base. Take time to research, understand and profile your best and most profitable clients.

a) Who are they? Collect demographic information such as age, gender, education, occupation, income, religion, nationality, ethnicity and family make-up.

b) Where do they live? This is simple geographic information that you can collect with basic postal-code data.

c) Why do they buy? This is psychographic information about lifestyles, social class, activities and interests, attitudes, beliefs and personalities. You may already have a gut feel for this; if not, there are many

ways to easily figure it out.

d) If you are a business-to-business company, you need to consider such things as: what industries your customers are in; how many employees they have; annual sales volumes, locations and market areas.

Use the information you have gathered to strategically refine your products and services, packaging, offers and messaging so that you are not trying to be all things to all people. Define a niche that best suits your offering, and aim at becoming a specialist to this market.

It takes work to narrow down your target market. But the rewards are obvious. Your marketing and ad-

vertising can be more focused and more effective. You will spend less on your efforts than you do now, and find that your strategies are far more precise and effective at bringing in customers.

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