

The Bull's-eye Keeps Moving!

Does your target market really exist? And if so, are they worth the effort?

One of the first steps in developing any marketing campaign is to decide who you want to market to. This is commonly defined to as your target market and is essentially a profile of your ideal customer. Taking into account such demographics as age, gender, income, and location, a plan is developed to reach that specific group by appealing to their unique wants and needs. In theory, a business that is able to clearly communicate its ability to satisfy the needs of a specific market will be more successful than a business that isn't.

And this is where some business owners, and even some marketers, can lose site of the big picture. While trying to market to everyone is generally accepted as not a very successful strategy, on the same token, trying to market to a very defined group may also result in less than desired results.

Where does this leave us? On the one hand, marketing to "the whole world" can be expensive, time consuming, and unprofitable, while focusing on a clearly defined group can result in missed opportunities and a lower than expected growth.

So what can you do to reach those people that you think are your best chance for becoming customers, while not excluding others groups who may in fact also be customers? All at the same time staying on budget. The answer is surprisingly simple.

The first thing you need to do is come to terms that, unless you're an industry specific seller, there's a pretty good chance that your target market is a moving bulls-eye you will never be able to hit head on. This is especially true for consumer based products and services.

For example, a company that sells dental supplies will have a client base of dentists, orthodontists, and other kinds of doctors who work on people's mouths. This is a clearly defined group and anyone within this group is deemed as a potential customer. Therefore it makes sense to focus all marketing efforts on this group. Advertising at dental trade shows, in dental magazines, and through direct mail would be a logical and effective means of reaching this group.

But what if you were a restaurant specializing in Indian cuisine, for example? Or a high end woman's clothing store? While it would be easy to classify their target markets as East Indians and wealthy women respectively, the fact is that potential customers can be found far beyond these groups. Investing time and money to reach only these groups would be short sighted.

So how can a business with a limited budget effectively market to a wider audience without wasting time and money? The first step is to find common elements amongst all the groups you are targeting. I call it Trait Mapping. It's a simple and effective process that will provide you with a clearer picture of where your market lies. Let's work through this together.

First draw 3 large circles on a piece of paper. They can be anywhere on the page, but should not overlap. Each circle will be named. One will be "Customers I Have", another will be "Customers I Need" and the last one will be "Customers I Want". Write each name above a circle.

Let's start with the "Have" circle. Using single words or phrases, describing traits, both good and bad, that your current customers have. Include anything you can think of. Where they live, income, age, gender, interests, where they work, how they commute, even personal characteristics like hobbies, social groups, etc. If your business is brand new and you don't have any customers at all, then leave this circle blank and move on to the "Need" circle.

In the "Need" circle, write down the same kinds of traits, both good and bad, you did for the "Have" circle. The difference is that these traits will describe customers that you absolutely need in order to stay in business. Depending on your business, it may be a large corporate account that is the source of most of your sales, or a customer with a great deal of influence among the community that has the potential to bring you business through referrals. Think of these customers as the ones you would never want to lose. You might mention things like purchasing habits and average spends in addition to the kinds of traits mentioned in the "Have" circle. It's okay to repeat traits that you think are also relevant to this group.

Finally, do the same thing for the "Want" circle. These traits will describe the kinds of customers you would like to deal with every day. Think of it as your ideal customer. As with the other circles, mention every trait you can think of including income, age, gender, etc.

By now all three circles should be full of descriptive notes. There should also be a number of common traits amongst all three circles. On a separate piece of paper, write down all the traits that are only common between all three under a column titled "Essential Traits".

Next write down all the traits that are common to just any two circles under a column titled "Important Traits".

In a third column, write down all the remaining traits that appeared in just one circle. This column will be titled "Unique Traits".

Finally, write down any negative traits you may have come up with. But instead of placing them in their own column, write them next to a positive trait that they are most likely to be associated with. As an example, a restaurant might realize that customers from their closest market area also tend to have the lowest per table bill. The negative trait of "stingy" would be linked to the positive trait of "location".

What you have just created is a precise targeting system of what are the most important traits of customers you currently have, customers you absolutely cannot afford to lose, and those that you would like to have.

By knowing these traits and having them broken down into the categories of essential, important, and unique, you will better be able to focus your marketing efforts towards attracting customers that share common traits. Although the "essential" traits will be the most influential in how you plan your marketing, it is important not to overlook the other two columns. Here's why:

- Even potential clients who possess all the "essential" traits may not buy from you for any number of reasons. Personal taste, loyalty, or a resistance to trying something new can be just a few reasons people will never respond to your marketing efforts.
- Market trends may result in "unique" traits becoming "essential" traits. For example, environmentally friendly products that were once aimed at just a select group, are now gaining popularity among other groups.
- The characteristics of the population within your area may change. Income levels, ethnic diversity and age may all impact on what traits may have greater influence on your marketing efforts. For example, a new housing development results in a greater number of young families in the area surrounding an upscale restaurant. The owners may consider becoming a family style restaurant in order to attract a greater portion of the surrounding market.

- Purchasing habits can change resulting in a group once thought of as a weak market, becoming strong. For example, as the prices of LCD televisions drop, groups who at one time could not afford them are now the faster growing segment.
- Certain traits that you view as positive may be associated with ones that you consider to be negative. For example, customers that are frequent purchasers may also be fickle and demanding. You will need to measure their worth in order to decide if investing any marketing efforts is likely to pay off.

As you spend more time examining your market place, you will continue to discover new customer traits. View these as opportunities from new groups that are just waiting for someone to notice them. Every few months, revisit the Trait Map you made to see if it is still relevant. If not, make a new one. Don't be surprised if many of the traits are now in different columns. After all, it is your ability to adapt to a constantly changing market that will ensure your success for many years.

This brings us back to the questions at the beginning of this article: Does your target market really exist? And if so, are they worth the effort?

Yes they exist. But just like the dart board metaphor, remember that the area outside the bulls-eye is actually bigger and easier to hit. So don't ignore all the other groups in an effort to market to only one. An effective marketing campaign should effectively communicate your message in a way that appeals to a specific group, yet can be understood by every group.

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