



Finding Your Target Market

By Jeri Quinn

Everyone is told to be specific in targeting a market niche. You can be more effective being a bigger fish in a smaller pond. You get more referrals. You provide better solutions. You can achieve cost efficiencies from what you learn a replicate. But exactly how do you go about finding your target market? For most entrepreneurs it's difficult. Let's start by finding out all possible answers and grading them on effectiveness.

Let's ask you to get specific: Who do you want to market to?

Possible answers:

1. I dunno. (Listed here because I hear it a lot)
2. Everybody (Ditto)
3. Anybody who needs xyz. (name problems or needs what your offering provides a solution for)
4. Anybody who is an abc (Name a profession like lawyer, carpet cleaner, manufacturer)
5. Anybody who is in this position (name a position like business owner, CFO, IT manager)
6. Anybody within a forty mile radius (or a zip code, or region).
7. Anybody with x to xx number of employees
8. Anybody that has gross revenues of \$xxx to \$xxxx
9. Anybody who joins this kind of organization or reads this kind of publication
10. Anybody who uses these key words to search on the internet
11. Anybody who has zzz (fill in the blank with children, pets, aging parents, a particular hobby, a particular disease or condition, high net worth, jewelry, art, homes to sell, a specialization, etc.)
12. Anybody on this list of well researched names that have been MAP'ed (See below for the definition of MAP)



Now which of these answers is effective? Which ones give an effectiveness score that helps you grow your business quickly? Which ones if you marketed to them wouldn't cost you an arm or a leg, but would provide you with customers that would in time start to seek you out?

On a score of 0 to 10. my purely subjective effectiveness rating based on my experience as a business coach would be the following.

1. I dunno. (Listed here because I hear it a lot) Negative 10. Points
2. Everybody (Ditto) Negative 10 points
3. Anybody who needs xyz. (name problems or needs what your offering provides a solution for) 1/2 point
4. Anybody who is an abc (Name a profession like lawyer, carpet cleaner, manufacturer) 2 points
5. Anybody who is in this position (name a position like business owner, CFO, IT manager) 1 point
6. Anybody within a forty mile radius (or a zip code, or region) 2 points
7. Anybody with x to xx number of employees 2 points
8. Anybody that has gross revenues of \$xxx to \$xxxx 2 points
9. Anybody who joins this kind of organization or reads this kind of publication 4 points
10. Anybody who uses these key words to search on the internet 3 points
11. Anybody who has zzz (fill in the blank with children, pets, aging parents, a particular hobby, a particular disease or condition, high net worth, jewelry, art, homes to sell, a specialization, etc.) 2 points
12. Anybody on this list of well researched names that have been MAP'ed (See below for the definition of MAP) 10 points

None of these is particularly effective except the last one. The trick is to use them in combination. For instance, you may target lawyers. But there are lots of different kinds of lawyers (trust and estate, divorce, real estate, tax, litigation, international, intellectual property, etc.) in different locations around the world. There are different size firms with different



numbers of employees which affects how they're structured internally and who the best contact person might be and what their needs are. So what if you said "I work with lawyers (1 point) in Chicago (+2 points) with 30 to 100 employees (+2 points) who have a corporate litigation practice (+2 points) who have a managing partner (+1 point) who is a member of the Chicago Bar Association (+4 points)"? This totals 12 points. It would give you your list of target firms within your market niche.

Are you starting to feel anxious that this target market is so limited? Remember that this is your *intentional* market that you are sending marketing messages to. You will get referrals and other customers outside this target. They will be your *accidental* market. Many entrepreneurs find that they have a 60-40 ratio in sales to their intentional vs. accidental markets.

Where do you find the data you need? Your local library is a great resource. 'Reference USA' is a database maintained by most libraries that will give you names, contact information, size by employee, gross revenue ranges, often websites on many companies that you can sort by MSA, state, and county. The information is downloadable and can easily be imported into a spreadsheet or contact management software. Reference librarians are wonderful people. They may be able to suggest other databases as well. Sometimes you can do this online or some libraries have you come in. Remember to bring a flash drive to record the results of your searches.

There are plenty of market research firms that you can pay for this information. Search the internet and you'll find plenty. Some will do the research for you and charge you a project fee. Some are databases that you get a subscription or a license to use and you do your own searches. Some have a free trial period that may be a low cost way for you to get started.

There are associations and trade organizations for many types of businesses. Find them on line. See if they make the names and addresses of their members free to the public, or for a small fee. Or you can join the organization.



What if you don't know what profession or type of business or area of specialization you want to target? First you need to determine your criteria. Some common criteria are:

- They have to earn enough money to buy your offering
- They have to have a need your offering can solve, the stronger the need the better
- If your offering involves engaging their time, they have to be able to afford the time.
- The pool of prospects has to be large enough to support your business, and the overall marketplace can't be so flooded with competitors that your business won't stand a chance. Can you find a niche others haven't yet addressed? Or have you created something new where there is no competition?
- You'll do better if you have some experience in the area. So look at your own experience.
- What do you have a passion for, what dovetails with your purpose in life?

You may have other criteria that you think are important.

Take these criteria and do research. 1. Web based. 2. Interviews with people connected to areas that you think might be good to target so you get an idea of real needs and areas to specialize in. 3. Read publications targeted to areas you're considering. What are their needs? 4. Go to the websites of schools that train people in those professions or industries. What needs do they provide education for, what needs do they miss? 5. run focus groups. Compare what you hear in the field and what you see on the websites. Draw some conclusions.

What is MAP? MAP is a way to qualify your prospects in your target pool so you can put them on your hot list.

- First, they must have the **M**oney.
- Secondly, they must have the **A**uthority to purchase.
- Thirdly, they must have **P**ain. Without feeling that they have problems needing a solution, they have no interest in buying. The more pain they have the better.



So why have we focused on putting together this well defined narrow target market or market niche? When we learn all about them, when we learn what their day is like, what they read, how they stay current in their professional roles, how they learn general news and skills, what they perceive their needs and problems to be, something magical happens. When we understand their aspirations, when we see what they deal with in their world every day, then we can become true partners in helping to solve their problems. All our efforts become more effective. When they see that we care, that we truly understand their needs and shape our offerings to fit those needs, we don't need to chase them anymore. They start chasing us.

About the Author



Jeri Quinn at Driving IR helps leaders of small and medium sized businesses who want to grow their companies. Her specialty area is creating cultures where employees show initiative and take ownership of their work. Results include engaged employees, loyal customers/clients, lots of referrals, huge profit increases, more enjoyment and a sellable asset. What makes Jeri unique is her thirty five years experience starting, growing and selling businesses, 25 years at the helm of her own companies. You can obtain a Referral Success

Kit with lots of ideas to reduce your client acquisition costs and grow your referral engine by going to her website. www.DrivingImprovedResults.com. Contact her directly at jeri@DrivingImprovedResults.com or 212-923-5820 if you would like her to speak to your group, organization or tradeshow.