



STRATEGY MARKETING COMMUNICATIONS

What You Don't Know About Your Customers Could Ruin You.

Common Mistake Number 4.

Not having absolute clarity about who your customers are, what they need, and where to find them. Understanding your customers and having the nerve to focus on them single mindedly, especially as the going gets tough, may be the most important factor in your company's success besides adequate funding. An insightful knowledge of them will guide your plan as well as investor confidence. Once you are confident you have the right category, that it has the potential your plan calls for, get to know your customers backwards. Talk to them, sit in on the focus groups, spend time in their homes, offices, work-places or supermarkets. Systematically review primary data and buy as much secondary information as you can afford. There is a wealth of available data if you know how to mine it. If you don't, get help. The need to understand your customer applies equally to your channel influencers (such as trade buyers, or IT Directors) as it does to the end user or consumer. The essence of customer targeting strategy is sacrifice: once you've locked on a target avoid the temptation to pursue adjacent market segments, channels or customer targets because they look good or because you think they're a fit. Flexibility in a start-up business plan is okay, but don't use it as a justification to go all over the place. You don't have time or resources for experimentation. (Example: A confident start-up client with a successfully tested food product was unable to decide between an on-line, retail or restaurant distribution strategy. He compromised and went with all three, each requiring a different marketing and selling strategy, with resources insufficient to do all three well. The inevitable happened). Get your strategic target planning done at the start, follow it with well modeled product testing, lock in on a customer target you know and understand, and stay focused.