

Solutions

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How to Penetrate Your Target Market

By John Comer, CFP®

Dr. Thomas J. Stanley, in his book *Marketing to the Affluent*, described successful marketing as surfacing in the middle of a convoy. He had read about the success of Germany's most famous U-boat captain during World War II, Otto Kretschmer. "Kretschmer stated that 'my proclivity was to surface in the middle of the convoy; that's where the ammunition and other important ships were.' Younger, less experienced captains attacked from outside the convoy, often encountering decoys and unimportant ships that contained nonessentials."

After you select a target market, you

can best penetrate the market by surfacing in the middle. Don't market to an association, for instance, by remaining on the sidelines, periodically sending a volley of marketing materials. Get involved in the association, get in the middle of the convoy, so you can identify and acquire the best prospects.

Surfacing in the Middle of the Convoy

One financial planner who surfaced in the middle of her convoy is Amy Wolff, of Edina, Minn. Wolff, the principal of AJW Financial, actively participates in the Col-



laborative Law Institute to demonstrate her interest and skills in helping women going through a divorce. She works on a committee, has joined the board of directors and speaks at the organization's conferences. She initiated a joint meeting between FPA of Minnesota, the Collaborative Law Institute and other organizations to promote networking.

Through these activities Wolff shows the passion she feels for her specialization and meets others with a similar passion. One attorney who shares her passion helped create the vision of a shared office. Attorneys, accountants, actuaries and financial planners who specialize in divorce office in a space Wolff developed with the attorney partner. It took over a year to find the space, complete the build-out and relocate, but sharing workspace helps to build a community, share their knowledge and provide referrals.

You could share an office with others serving the market like Wolff or, like David Hilton of ING Financial Advisors

Client Benefits from Target Marketing

Common Characteristics

- Address concerns rising from situation
- Build relationships based on shared interests
- Enjoy meetings with clients similar to you

Common Needs

- Understanding application of planner skills to their needs
- Confirm planner skills through repeated success with other members
- Enhance skills through use with multiple clients

Common Communication Systems

- Clearly identify planners who share the client's interests
- Comfort that negative and positive experience will be quickly communicated
- Commitment to market shown through planner's targeted sales materials

in Redondo Beach, Calif., you could establish an office on the premises of the market. Hilton provides the retirement plan for a local hospital and was required by the hospital to maintain an office on the hospital grounds. His on-site office increases his visibility within his market and demonstrates to hospital employees the importance the hospital places on his services.

Creating a Communication System

One of the characteristics of a target market is a common communication system. Charlie Fitzgerald, of Spraker, Fitzgerald, Tamayo & Moisand, created a communication system using seminars. Fitzgerald wanted to avoid the constraints he saw when an employer officially endorsed a planner's education program so he provides employee education informally. He once worked for the employer he targeted in Maitland, Fla., so he had an extensive network of former


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colleagues. He contacted the department heads in that network and secured invitations to present informal programs over lunch.

You can use a similar approach to increasing awareness in a target market by customizing seminars for your preferred market and inviting members of the market. In fact, whatever marketing you are doing now could be easily adapted to target marketing by focusing on the market as you plan and execute your marketing techniques.

If you enjoy sponsoring retirement parties for clients, plan your next retirement party for people in your target market and their guests. If you ask for referrals from your clients, ask for referrals from clients

in your market and give them a written description of your preferred client that clearly focuses on your target markets.

By focusing your marketing efforts on target clients you can surface in the middle of the convoy and acquire the best, most important clients. 

John Comer, CFP®, president of Comer Consulting LLC, helps financial planners acquire affluent clients through coaching (www.jcomerconsulting.com).

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Developing Your Marketing Plan

1. How much marketing is enough?

“Begin with the end in mind,” as Steven Covey advises. You need enough marketing to meet your goals. Determine your revenue goals. Determine how much of that revenue will come from existing clients and how much from new clients. Determine how many new clients will be needed to generate the revenue expected from new clients.

Once you know the number of new clients you need to meet your goals, you calculate the activity needed to get that many new clients. With experience using marketing techniques you can establish your own standards for results. Until you have that experience, assume that your mar-

keting has to provide eight prospective clients to set four appointments to acquire one client. To meet your goals, plan your activity to provide eight prospective clients for each client you need.

2. Developing a plan

Create a plan using two or three of the following techniques frequently enough to meet your goals.

- Meet individually with different leaders or current clients in the target market. Start with one meeting per month in their office, over coffee or over lunch. Over time, increase the number of meetings.
- Join a committee that matches your interests and will allow you to meet members.
- Speaking and writing are great ways to estab-

lish credibility. It is best to use the market's existing newsletter for writing and official events for speaking, but you still benefit if you write your own newsletter or host your own seminar.

- Referrals from existing clients, attorneys and accountants are great. Also ask for referrals from official and unofficial leaders in the market you have selected.
- Events, dinners and parties are limited only by your imagination.
- Radio shows, television shows, newspaper writing, direct mail and advertisement work best when narrowly focused on your market. I would not seek out opportunities to use these techniques although they might work in the right situation.