



How to Tell a Pawn from a King...

I bet that if someone were to ask what your typical customer looked like it would be just like the last person you sold something to. Right? The bad part is that an awful lot of expensive decisions are made on just that kind of customer analysis. “Visual Indexing” is what it’s called, and it’s about as reliable as a bird dog that chases rabbits.

With about 80% of your business coming between the end of October and the end of the year, the perfect time to start figuring out who your customer really is should begin several months before that critical time. In the first place, the people who buy from you will probably come from all walks of life with decidedly different checkbook and bankcard balances. The first thing to remember is that looks can be deceiving (like watching the Ballet Trucaderos). Besides, people who really have money don’t have to dress or act like they do - and most of them don’t. It’s the people who don’t, but wished they did, that act and dress like they do. Got that? The second thing is that you want more customers like those customers who buy the most more often.

Starting tomorrow, get the address of every person who buys something from you. Note how much they spend and what they spend it on. Keep adding to the list throughout the holidays. When you’re ready, start grouping the dollar sales and product sales by address on a map (you could use color-coded pins on a map of the city as each day progresses to get a running tally). Pretty soon you’ll start to see a pattern emerging, with some neighborhoods having a lot more pins than others; some areas won’t have any. You’ll probably also notice that people in some areas are buying one type of product, others another. What you want to do now is figure out how to sell people who are like those people who live in areas that are like the areas where your best customers live.

What you have just done is coded your customers by geography and you can now start advertising and direct mailing to those areas alone, or areas just like them. Simple. By the way, you are now on your way to becoming an expert in geodemography because you have just “geocoded” your customer profile.
