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My 2 Cents on... Dreams, Duds, and Definitions

Defining, targeting, and recognizing the “ideal client” is like separating the dreams from the duds. If you don’t do the former, you’ll eventually end up with the latter.

People often ask me “*how can I find more deals?*” Well, I guess there are different ways to skin a cat:

A.) Brawn

Spend more time and money on advertising, social media, cold-calling, or any other types of leads-generating activities you prefer. The more you hit, the more punches you land, and the more you put in, the more you’ll get out, right?

B.) Brain

Think about what you are doing now and why you’re not happy with the results. Is it because you are not doing enough or is it because you’re perhaps not doing it right? Simply doing more of the same (i.e., just

using more “brawn”) may therefore not necessarily be the right answer.

Well, if – in addition – you’re somewhat short on brawn, but long on brain, here’s another thought for you. Go back to the birds and bees and start at the beginning.

DEFINING THE “IDEAL CLIENT” IS NO EASY TASK

Before pounding your marketing trail even harder than before, make sure you have a good road map and know exactly where you’re going.

In other words, before you start chasing your dreams (i.e., more prospects and clients), make sure you know exactly what these prospects and clients should look like.



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But even defining the “ideal client” is no easy task.

Have you ever asked ten people to draw a picture of a tree? If you do, you’ll end up with ten differently looking trees – Ask ten people to define their “ideal client” and... well, you get the idea.

For example, even within factoring, definitions of “ideal clients” vary from factor to factor.

YOU CAN SEGMENT THE MARKET ANY WHICH WAY YOU LIKE. BUT SEGMENT YOU MUST!

Some like them big, others prefer them small. Some want construction, while others like 3rd party medical or trucking receivables. Some love government vendors, while others feel more comfortable with commercial debtors.

Bottom line: There simply is no single “ideal client” profile.

You can segment the market any which way you like. But segment you must!

If you don’t segment the market and don’t define your ideal client, you cannot possibly market efficiently and effectively.

Here’s why:

Imagine you were developing a marketing campaign for a new brand of beer. You have to come up with a marketing message. Remember, your marketing message needs

to hit home and sell your product. So, what do you do?

You first segment the market and – based on your assessment of the market and its sales potential for your product among the various segments – define the ideal buyer and the positioning of your product.

Current beer drinkers or non-drinkers? Guys only or a bridge across the gender gap? Sophisticated hedonist or tough-guy barfly?

You see where this is going? It is obvious that the same marketing message won’t work for all the different market segments.

Even in its most rudimentary structure, the “sales pitch” to a current beer drinker must be completely different from the one to a non-drinker.

IF YOU SKIP THE MARKET SEGMENTATION AND TRY TO BE EVERYTHING TO EVERYBODY, YOU WILL END UP WITH THE MOST COMMON DENOMINATOR AND BE NOTHING TO ANYBODY.

To sell your beer to a current beer-drinker, the positioning of your product and your marketing message need to convince him/her that your product is better than the one he/she currently buys.

A non-drinker will need convincing that he/she should start drinking beer and that your product is his/her best market entry point.



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You see? Two very distinct product positioning routes and marketing messages are required.

If you skip the market segmentation and try to be everything to everybody, you will end up with the most common denominator and be nothing to anybody.

Your marketing message would be something banal and boring like “My beer is good. Buy it”. It would not be very effective.

Of course, the same dynamics apply to any market, including the cash flow business. That is why you need to think ahead and make sure you know exactly to whom you are marketing your services.

YOUR DREAM PROSPECTS SHOULD HAVE A LOT IN COMMON, BECAUSE, ONCE YOU CAN IDENTIFY AND FOCUS ON THEIR COMMONALITIES, YOU CAN USE THE SAME MARKETING STRATEGY AND MESSAGE FOR ALL OF THEM.

Once you’ve defined your core target group, you can focus on marketing to your ideal prospects only.

Granted, they won’t all be dream material, but at least you’re getting closer to the goal!

So how do we get from here to the dream? It’s actually not a big stretch if you think about it.

First, your dream prospects should have a lot in common, because, once you can identify and focus on their commonalities,

you can use the same marketing strategy and message for all of them.

When looking at factoring, all dream prospects must have at least three characteristics to begin with:

- 1. Motivation:** They must have a need for cash flow acceleration and the commitment to do something about it.
- 2. Opportunity:** They must be in a position to sell their receivables to a factor (i.e., receivables must be unencumbered).
- 3. Condition:** They must sell their products or services to creditworthy commercial or government entities.

But when you define your ideal prospect, you need to dig a little deeper.

Here are some considerations to take into account:

- What industry sector / business are they in?
- What is their company profile (e.g. annual sales, number of employees, type of customers they have, etc.)?
- What are their common needs, symptoms, issues, questions, problems, anxieties, and opportunities, etc. that make factoring desirable to them?
- Where are they (geographically dispersed or clustered)?



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- Who do you need to reach for the decision making process?
- How easy is it for you to reach them, and how will you do it?

Here's one tip:

Your best bet is focusing your marketing on one specific industry sector at a time, because this is where you will find the most commonalities between different companies.

That is where you can best streamline and fine-tune your marketing message to make it most effective.

To your success,

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Learn as much as you can about their business, their market, their needs and wants, objectives, opportunities and challenges, hot buttons, etc.

This will help you to relate to them better and to build stronger relationships.

If you do this, you will eventually find marketing a lot easier and convert a lot more dream prospects to dream clients.