

The Art of Sorting Customers

By Kimberly Beer

Every marketing professional you meet (just about) will tell you that you need to segment your customers. I will tell you that, for sure. Why? Because we know you need to communicate to your target market (or each of your target markets) where they are right now, in language they understand right now, and with an offer that is the next best step for where they want to go. “Right now” and “next” are moving targets. To be effective from your customer’s perspective, they need to be able to see your ad or content and say, “Wow, that hits home for me.”

This is so important let me state it another way just to clarify: the clear marketing message gets heard. To be clear, you must hone your message as much as possible. To do that, you need to be very clear about WHO you are communicating to and then place ads and content out *just for them*.

Your customers may each be a little different. Some like product A; others would be better suited with product B. Some are slow to buy; others buy quickly. Some need a lot of information; others need very little. Some know about you; others are just meeting you for the first time. Some are very aligned with one association; others with a different association. I could go on and on.

So how do you track all this information? A CRM of course!

CRMs (customer relationship management software systems) are devoted to helping you make the task of communicating clearly to each group of your potential and current customers. The rub is you have to tell the software which contacts belong to which groups and how you want to communicate to single or multiple group of those contacts. This means you need to know how to sort your contacts, why you have them sorted that way, and how to use the segments you’ve sorted out to create action.

That’s a lot of work, so let’s get started!

Most of my new CRM clients have never really thought deeply about how their potential and current customers are segmented beyond maybe leads and customers and people who are more than a lead but not quite a customer yet. To do this right, we’d like to have more than just those three segments.

I like to break it down for my new customers this way: you will want to be able to group contacts by DEFINING attributes; you will want to be able to group customers by which PROCESS they need to complete in your pipeline; and you will want to track groups of customers through your business by using STATUS indicators of how they relate to your business.

Defining Attributes

When you're marketing the right way, you really get to know your customers and you can communicate with them in very detailed ways. For example, if you have a technology support business, you would want to use a different approach when working with a Baby Boomer versus a Millennial. You may also want to be able to know in an instant what products a customer has shown an interest in or purchased; what their preferences are; what associations/groups they belong to (really handy for those who do industry expos!); what level they are in their business; affiliations, etc.

In a CRM you usually have two options for defining attributes: tags or custom fields. I always associate TAGS with the frequent need to access a group of people with that attribute, and FIELDS with things I want to be able to know about a customer, but wouldn't regularly need to access as a group of customers.

Put another way: use tags to designate groups of customers who share a defining characteristic and who you want to reach as a group in a communication such as an email or SMS message; use fields for everything else. Just so you know, most CRMs will let you search (and save that search on information) in a field, so if you want to reduce tag bloat – which is a real issue the further you get along on your CRM journey – then only create tags for groups that you communicate to often.

Process Triggers

Every business has processes usually beginning with their sales pipeline and then progressing into onboarding and through to service, retention and resale. You will want to communicate to an individual or group of individuals as they go through each process and specifically to the step they are in. You may want Process Triggers that initiate a contract to be sent, for example. You could also use Process Triggers to place someone into a sales nurture sequence that dwells deeper and adds more specific triggers as the customer engages with your content. Follow-up to a group of people you met at a specific is also a process to which you can apply a Process Trigger.

The key to Process Triggers is that they are very action oriented and directly related to an automation. Process Triggers usually come and go on a contact record in a CRM because once the process completes, the action is complete as well and they can be removed.

Status Indicators

When a customer begins a process, they acquire a status which changes as they move through that process. This is what Status Indicators are all about. Status Indicators tell you where groups of customers are in your sales and service pipeline. Status Indicators usually start with really simple groups like “New Lead” or “Customer” and evolve to be more complex such as “Qualifying,” “In Contract,” “Waiting,” or “On Hiatus,” as the business grows in number of contacts.

Just like Defining Attributes and Process Triggers, Status Indicators are unique to the way you do business and what you call them should align with your company culture and the way you do business.

Status Indicators can also be used in smaller, more transient ways such as when a customer attends a webinar or an event. You can also use them to help you retarget customers who have expressed interest in a piece of content or ad, but didn’t buy. An “abandoned cart” indicator is a common Status Indicator for ecommerce businesses. Customers who took a survey and did (or did not) provide a review or testimonial would also be good candidates to be grouped together with a Status Indicator.

Action Steps to Sort Your Customers

Now that you know three categories of information you will want to keep in your tags and fields, let’s talk about how you will refine what you know into actual fields and tags.

First, start with the information you need to keep on your contacts and customers. Name, address, billing info, phone number, email, etc. are on everybody’s list, but what *more* do you need to know to group customers together or to provide better service? Think about the information you collect on your customers during sales conversations and when you’re actually serving them. Also think about how you could serve them better if you knew a specific attribute about them. List those out.

Next, think about your sales process and how you could better support your customers as they move through it. What are the stages of your pipeline and what do leads and customers need to learn, do, feel or accomplish to move through each one to completion? Things that easily come to mind here are book an exploratory call, sign a contract, agree to a quote, or commit to a plan.

Lastly, think about the statuses of the groups of customers you'd like to communicate with differently. For example, you wouldn't send an email worded for a customer familiar with your products to someone who you just met at an expo and who had never heard of your company. (Let me rephrase that to say, you *shouldn't* send the same email to a current customer and a new contact.) Also think about your advertising program and how you might be able to use a status to communicate to groups of people who have interacted with an ad or piece of content differently from those who haven't. Think of how different customer statuses need to be addressed differently and given different information to move to the next step.

One more caveat: Defining Attributes rarely change, once you set them they tend to stay the way they were input. Some Process Triggers will stay in place long term, while others are quick, but they always have a completion as a goal. Status Indicators may shift frequently depending upon how specific you get in this category.

Now that you have a basic idea of what each of the categories are, grab a piece of paper and draw three columns on it. One each for Defining Attributes, Process Triggers, and Status Indicators. I recommend a few days of thought and some quality meeting times with your team and marketing coach/consultant/guru to get your list started. When your list is fairly complete (it's never finished, by the way) and everyone has settled a naming scheme, then set up the tags and fields in your CRM.

Working with Customers in Groups

Once you've established your categories, you will want to plan to work with the tags you've created and that requires a bit of a mindset shift.

First, get out of the habit of one or all. You should rarely communicate to your ENTIRE customer list at one time with a single communication. You have to shift into thinking about your customers in smaller, segmented groups. Like all mindset shifts, this one is easier if you do it gradually.

Start with your current customers. What would benefit them as a group in terms of communication and you as a business? Do you need Google reviews? Ask them and offer them a coupon. Are you launching a new product? Give it to them first and then follow-up for testimonials. Is there anything you could entice them with such as an upgrade or an additional purchase? Your current customers will always buy easier and spend more than a newly acquired customer. They are gold and should always come first in my opinion.

Next, think about your sales pipeline. What are the steps in it? How could you tailor your communication in each step to where that customer is right now? Sales pipelines are the yummy frosting on the CRM cake. They are where automation is the most sensical and they help tremendously with follow-up and follow-through. They also save you a tremendous amount of time and effort. The better you choreograph the sales dance with automation as your partner, the easier the sales process for both you and your customers. Also think about where people get stuck in your pipeline and how you might be able to drip market to them until they are finally ready to move.

Finally, think about the specific ad campaigns you have coming up and how you would like to follow-up and follow-through people who are going through the sub-pipelines specific to those campaigns. How could you create or tweak existing communications to match up with the specific campaigns? How can you retarget people who partially participate?

All of these are ways to grow your ability to keep customers and make sales — and in the process make the experience bang-up amazing for your customers. Remember, however, getting good at the art of sorting customers will take time and practice. Allow yourself to become a master at it step by step.