

GUIDANCE FOR EFFECTIVE TARGETING

Defining where to play for your place branding investment is one of the strategic choices that will have the greatest impact on your place branding success. A common mistake is to simply identify a broad group of targets rather than focus efforts on a select group that may have a higher probability of being interested in your location as a capital investment choice.

Segmentation is a tool that groups potential capital investment targets in a way that allows you to efficiently and effectively invest your limited promotional dollars. It also provides a framework to help you better understand how to differentiate your location as the ideal capital investment choice.

Effective segmentation principles:

- Differentiates decision makers and key influencers in a clear and simple way.
- Is actionable (you can find the segment and measure perceptions).
- Is meaningful (allows you to better understand their decision process).
- Is current (information is not outdated).
- Meets the sanity check (qualitatively makes sense with your economic development growth objectives).

Types of segmentation variables:

METHOD	EXAMPLES
<i>Geographic Segmentation - divide potential targets by physical location.</i>	<ul style="list-style-type: none"> • Surrounding states • Asia Pacific Rim
<i>Demographic Segmentation - divide on the basis of company size, industry, position title, average employee salary, etc.</i>	<ul style="list-style-type: none"> • CEOs • Site Selection Consultants • Manufacturing • Entrepreneurs • Multinational
<i>Psychographic Segmentation - divide based on core values or lifestyle.</i>	<ul style="list-style-type: none"> • Risk takers • Stability Seekers • Change Catalysts • Community Involved
<i>Behavior Segmentation - based on their knowledge of or attitude toward your location as a capital investment choice.</i>	<ul style="list-style-type: none"> • Alumnus of a college or university in your area • Have family in your area • Had a positive visit occasion in your area • Business unit already exists in your area

Creating actionable and effective targets is a key to successful branding. Done well, it allows you to say “No” to promotion opportunities that will not effectively reach your defined segment. This discipline helps deliver a higher ROI for your efforts.