

# Define Your ICP–The Data Driven Approach

## Defining Your Ideal Customer Profile (ICP)

- ✓ Remember: This is different from your ideal persona
- ✓ ICP is the picture of your target company, personae reflect the people within the company

### INSTRUCTIONS

Follow the steps to build your data-led ICP as the foundation for your B2SMB demand generation process.

### STEP 1 Sample List of Customers

**Start with a sample list of some of your best customers: 500 to 1,000**

Ensure that you pick the ones that you have the most complete business information for. Having a working website for all companies in this list is highly recommended as it allows you to enrich the accounts with relevant intelligence. You can include not only customers, but prospects that moved through the funnel to opportunity and were a good fit, but didn't close with a sale due to a reason outside of "fit" - e.g. your champion left the company or their budgets were suddenly cut.

**The below checklist covers the business information you should aim to have for your chosen list of accounts.**

- Business Name
- Civic Address
- Phone Number
- Website URL

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## STEP 2 Account Enrichment

Enrich the sample list with rich account data.

You can either enrich the accounts manually or use third-party data sources such as BuzzBoard. Aim to enrich for most of the listed data clusters below.

### **Firmographics [This is the current - limited - standard for ICP definition]**

- Employee Count
- Annual Revenue
- Business Category
- Business Age
- # of Locations
- Are they a B2B/B2C/Remote Only business?

#### **NOTE**

You need to start going below the surface to make your ICP more meaningful and actionable

### **Technographics**

- Sales & Marketing
- HR & Finance
- Communication
- Content
- Advertising

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**Digiographics [These are useful signals about your prospects derived from their digital footprint on the Internet]**

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## Growth Indicators

- Is the business actively advertising?
    - Google
    - Display
    - Facebook
    - Yelp
    - Other
  - Is the business hiring?
  - Are they ecommerce enabled?
  - Have they recently received funding? (Grant, PPP, Loan, etc.)
- 

## Marketplace and Local Listing Signals

- |  |  |
|--|--|
| <ul style="list-style-type: none"><li><input type="checkbox"/> Do they have claimed local listings?<ul style="list-style-type: none"><li><input type="checkbox"/> Google Business Profile</li><li><input type="checkbox"/> Yelp</li><li><input type="checkbox"/> Nextdoor</li><li><input type="checkbox"/> Other</li></ul></li></ul> | <ul style="list-style-type: none"><li><input type="checkbox"/> Are they on any marketplace?<ul style="list-style-type: none"><li><input type="checkbox"/> HomeAdvisor</li><li><input type="checkbox"/> Thumbtack</li><li><input type="checkbox"/> Uber Eats</li><li><input type="checkbox"/> iOS/Android Apps</li><li><input type="checkbox"/> Other</li></ul></li></ul> |
|--|--|
- 

## Other Digiographic Signals

- How strong is their social media profile?
- Do they use a toll free number?
- What is their overall Google rating?
- Do they have a strong website infrastructure?
- Do they use video content on their website?
- Other

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## STEP 3 Data Cleansing and Hygiene

Maintain a standard format for your data and do away with signals with a low fill rate.

Combine redundant signals for a single view.

### FOR EXAMPLE

*Combine Mobile-Friendly and Responsive Website into one single signal.*

## STEP 4 Analysis

Understand the distribution, mix, and presence of the enrichment data.

Create distribution range for the below signals

- Employee Count
- # of Locations
- Revenue
- Business Categories
- Ad Spend
- Ratings and Reviews

Mix: Use a simple (Yes/No) logic to format these signals

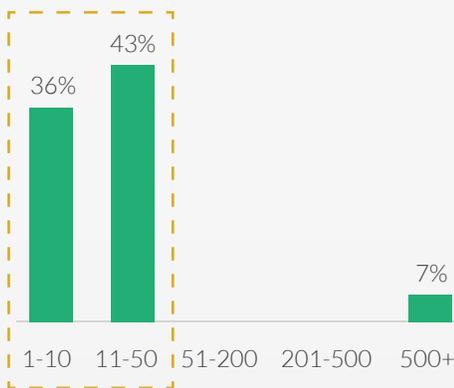
- Running ads versus not running ads
- Are they funded?
- Ecommerce Enabled?
- Uses a toll free number?

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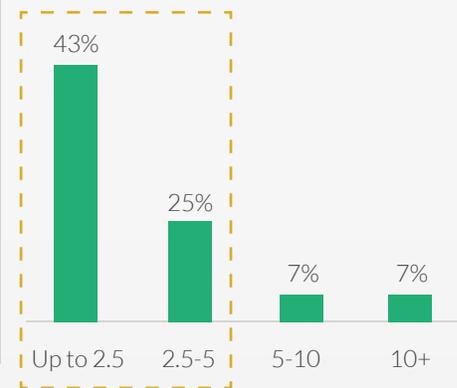
Examples of distribution based analysis within the Firmographic cluster

## Firmographic Information

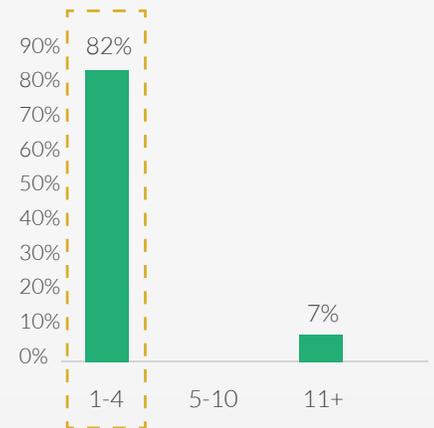
Employees: 79% are <50 Employees



Revenues: 68% are <5M



Locations: 82% are <4 Locations



Examples of mix based analysis within the Growth Indicators cluster

## Growth Indicators

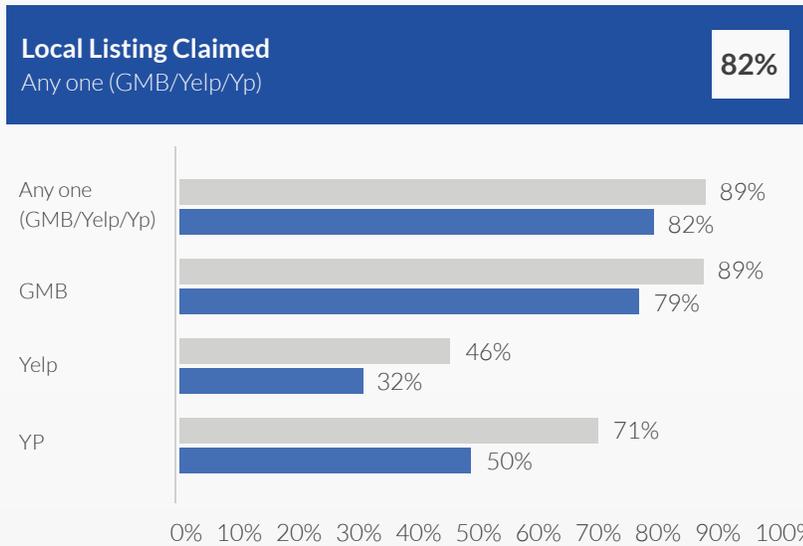
Advertising		32%
Google/Display/FB/Yelp Ads or an Technology		
	Google Ads	21%
	Display Ad	7%
	Yelp Ads	4%
	Ads Technology	11%

E-commerce		93%
Enabled or Ready		
	#	%
Ecom Enabled	10	36%
Ecom Ready	16	57%

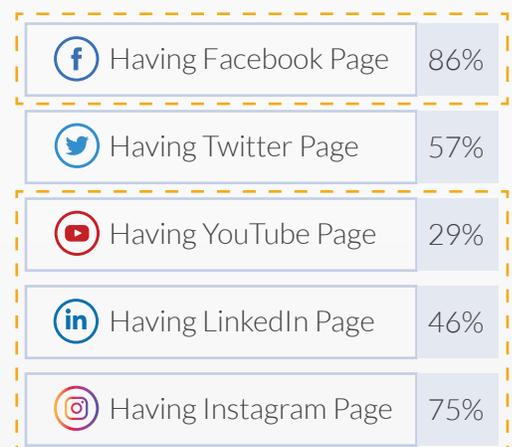
Hiring		14%
Currently Hiring		
Open Positions	#	%
1 - 4	4	100%

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Examples of presence based analysis within other Digiographic clusters



**Social Media Channels (cumulative)**



**STEP 5** Define your ICP

Create multiple segments using different combinations of businesses (in your customer list) and signals to observe which combination stands out as accurately indicative of your ideal customer accounts.

The combinations of clusters in their majority end up being your ICP.

**A Data-defined Ideal Customer Profile**

**EXAMPLE**

Businesses with **Domain Age of 4+** and **< 50 Employees** in the **Home and Trade Services** that have a **LinkedIn Company page** and **Run Online Ads** on one or more platforms and have been **Recently Funded**.

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Use the space below to define own your Ideal Customer Profile from the exercise above

Businesses with  and  in the   
 that have a  and

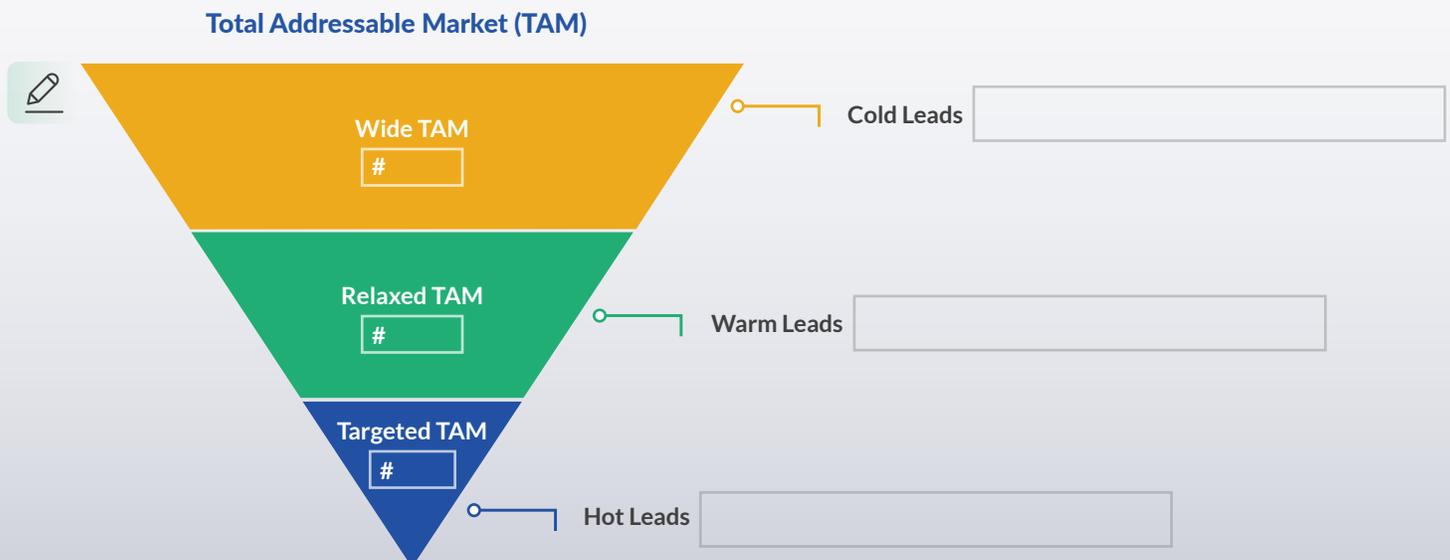
 **TIP:** Ignore the obvious, commonplace, signals.

*For Example: Most small businesses have a Facebook Business Page today. So ignore that in your ICP definition as being a redundant signal.*

## Use your ICP and Assess your TAM

Conducting a TAM assessment against your newly defined ICP also gives you a reality check on how tight you want to go in defining your ICP. Ultimately, the goal is to define an ICP that results in a large enough TAM to provide meaningful revenue and growth opportunities for the company, but is specific enough to surface prospect accounts with a need for your product.

### Assess you TAM



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## An Example TAM

