

## *Think Broadly When Developing Niche Markets*

*By Christine Hierlmaier Nelson  
Communications Consultant*

What's your niche? What industry knowledge or expertise sets you apart? Many professional service organizations are reorganizing into niche markets because it focuses on the needs of clients, rather than the traditional "our services" menu approach. As your company becomes known for a specialty, you rise above the competition and are hired for that expertise rather than for your fee. The niche becomes part of your brand.

Niche development is also the latest buzz for attracting young professionals to an accelerated partner track.

Some firms and professionals question why they would limit themselves to a certain specialty. Rather than a limitation, I see niche development as a process of zeroing in on what you or your firm does best — what excites you about coming to work. Once you are clear on that, the niche can evolve into a range of subspecialties that you wouldn't have otherwise discovered.

For example, one of our clients who practices real estate and business law is developing a subspecialty in the legal aspects of green building processes. Not only is this a unique practice area, it's also one attorney's personal passion. He derives energy from learning about it, and therefore will serve clients well with his expertise.

Managing partners can view niche development as a form of professional development as well as the way to prove your qualifications to potential clients. Organizing professionals and staff into areas that they enjoy will fuel success in that niche.

When the Stearns County, Minnesota, county attorney Janelle Kendall reorganized her office soon after the election, she used this principle to create a new juvenile division. She asked for volunteers and got several young attorneys to lead the charge. Within four years, the attorneys in all four divisions had handled a backlog of 400 cases. Their energy and excitement about working with juvenile justice cleared off cases that normally would take much longer.

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### I N G E N U I T Y Marketing Group, LLC

*is a marketing and training firm that works primarily with professional service organizations and small businesses. We offer strategic marketing planning and coaching, marketing program development, and curriculum and training mainly in the areas of leadership development, consultative selling, professional service marketing, and customer service.*



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### Choosing Your Niche

A niche can initially seem like figuring out the meaning of life. But it's as simple as looking at which clients you already serve and deciding if there is a critical mass of staff and clients in a particular field.

If there is, you may have a niche. But you also have to see if the niche is sustainable as a growth industry, the level of competition, and the potential to gain a significant portion of the market without being the lowest cost provider. A little market research goes a long way.

Survey your clients to see if they view your services as part of a niche industry. Track total revenue for those clients as well as revenue per client to determine the percentage of your total business.

If you don't yet have a niche or if your firm is small, you can develop a narrower niche within an industry. A CPA firm that saw opportunities in manufacturing decided to focus just on software developers because of the number of those firms in its region and the fact that no other comparable CPA firms served them. It had a few clients and knowledgeable staff and was able to grow the niche through referrals and strategic marketing.

As you develop your niche team, select someone as the expert or spokesperson who has the respect of other partners and can facilitate niche objectives. Organize the team like a company within a company by building in administrative and marketing support, job descriptions, a budget, and incentives for participation. Ideally, you want a mix of established and new staff on the team to fuel ideas and momentum.

If you have several niches within your firm, establish a process for the niche leaders to communicate regularly. They can share ideas on marketing and business development.

Clarity of intent is important when it's time to communicate with clients.

### Choosing Your Message

Work with the niche team to identify your value proposition. Why do you service the clients exceptionally well? Why is your experience important to their everyday business? Decide what sets your firm apart in this area, and what values and expectations you want people to associate with your team.

It's important that everyone, not just team members, identifies with the niche. Develop a sales-focused marketing plan that

includes action steps and accountability. Promote the niche through all marketing and sales mediums, from your website to interactions with the media. (See sidebar on page 3.)

One of our client CPA firms has redesigned its website to include information on its niche groups. Team member bios reflect their niche experience while services are targeted at the niche industry. They also post relevant articles and public relations. For internal communication and resources, the firm developed an intranet system. For example, if there is an article that the niche leader wants everyone on the team to read, he'll post it on the intranet. Other firms send out industry briefs, updates, and information by email to all niche team members or to the whole firm whenever someone attends a class, seminar, or program. In any case, communications like this help team members build expertise quickly.

Develop a proposal system especially for your niche. Proposals should reflect the niche team's value proposition. Develop a template that includes key messages and strengths and addresses client challenges. Proposals are a primary way to demonstrate your knowledge of a particular industry.

When actively seeking niche clients, do the market research and obtain personal introductions by getting involved in relevant professional associations. Build rapport with related professionals by offering leads and referrals. Go a step further and host a networking group or workshop.

Track results by reviewing winning and losing proposals, revenue growth and lead conversions as well as press coverage.

Remember that niche development is not a rapid process. It can take years to establish your expertise, so make sure when identifying a niche that it has internal champions with industry connections and knowledge, a target market with growth potential, and synergy with your firm's vision.

Your niche is something you'll live and breathe for a long time.

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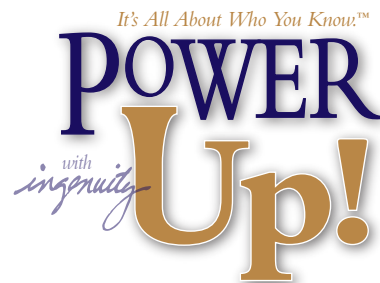
*Christine Hiermaier Nelson is a communications consultant with Ingenuity Marketing Group. She works with client niche groups to develop their brand through key messages and client stories, marketing collateral and targeted media relations. Christine has been a professional journalist since 1993, writing for Gannett and business trade publications as well as small business clients. She also has a niche in patient parenting as the author of "Green Yellow Go! Nat Knows Bananas," a children's book about patience ([www.natknows.com](http://www.natknows.com)). She is a columnist on behavior and discipline for the international parenting resource, [ClubMom.com](http://ClubMom.com).*



## Become the Expert

An effective way to gain recognition for your niche is to position your firm as the leading authority. Here are 10 ways to stand out.

1. **Be Visible.** Join trade associations and take leadership roles if possible. The last issue of InGenius Review addressed how to work a trade or professional association.
2. **Speak.** Take opportunities to participate in round-table discussions and speak at industry events on hot topics. Proactively offer seminars and panel discussions to industry associations.
3. **Write.** Submit topical articles to industry publications and the general media. Make sure your photo, biography, and contact information are included.
4. **Get Covered.** Identify your firm as experts in key industries to the media and let them know that you are available for interviews.
5. **Network.** Build rapport with vendors and related professionals in your niche. If you are a lawyer, meet all the CPAs, bankers, insurance agents and other vendors who work in the niche. Sponsor events within your niche.
6. **Train.** Host training sessions or conferences for clients related to your niche services. Your conference room might be a real gift for groups that want to meet.
7. **Publish.** Create niche newsletters or guides that offer tips and advice to clients.
8. **Model.** Research what other firms are doing and adopt similar strategies.
9. **Read.** Stay up to date on industry news to understand client needs and challenges. Share your learning with others in the firm through email or lunch and learns.
10. **Perform.** Do a great job for current clients so they tell others about your expertise. Stretch that performance out by obtaining testimonials and case studies about the difference you have made for your clients.



## July 27, Bar Lurcat

On a warm Tuesday night at Solera in Minneapolis, young couples sat on one of the terraces, drinks in hand, discussing their new relationships. They had never met each other until tonight, yet the atmosphere was lively. Several of the couples made plans to have lunch, meet at happy hour... or maybe have a conference call.

All of the couples were young professionals participating in the first event for Power Up! – a new networking group through Ingenuity Marketing that combines structured activities with strategic professional matchmaking based on career, personal interests and business development goals. If you or your younger employees want to improve networking and business development skills, Power Up! is a good place to start.

Response from the first Power Up! in June was overwhelmingly positive. “I liked that everyone was at similar points in their careers and all emerging as leaders. Getting to know them one on one is really good in order for me to make referrals,” said one financial services participant who attends six networking groups. He added that the activities, though simple, diffused tension and built instant connections.

Structured for professionals age 35 and younger, Power Up! opens the door for people with less networking experience. “There were group functions where I had to work with other professionals, including a banker and an attorney,” notes one CPA. “It’s something I would like to attend again.”

Instead of exchanging business cards and never talking again, the roughly 40 Power Up! attendees are scheduling meetings in between events to discuss their business connections and make referrals.

Limited to professionals in knowledge-based careers – legal, accounting, insurance, financial and IT professions – the next Power Up! event is July 27 at Bar Lurcat in Minneapolis. For more information and to sign up for your perfect Power Up! partner, visit [www.ingenuitymarketing.com](http://www.ingenuitymarketing.com).



## Best of AAM 2006

By Dawn Wagenaar  
Principal

In June, Wendy and I attended the Association for Accounting Marketing's (AAM) National Conference in Denver, Colorado. We, of course, had lots of fun and were able to reconnect with old friends. We were also able to listen to some great speakers and learn some valuable information, some of which I would like to share with you.

### Ten Things I Learned While in Denver

1. Per Gale Crosley of Crosley Company, a firm with average growth of 4-6 percent will have 20 percent of that growth in their pipeline and business developers must close between \$400,000 - \$500,000 worth of new business to pay for themselves.
2. Business developers should be good at: 1. Persuasive communication 2. The ability to uncover deep hidden needs 3. Creating an unique value proposition 4. Coaching and 5. Driving opportunity development.
3. A pipeline can be very valuable as it helps a firm focus their efforts, puts the right team together to visit a prospective client and helps with retention if they share the pipeline with everyone at the firm.
4. Per Joe Rotella of Delphia Consulting, you should examine pages on your website that no one goes to and ask yourself why. Is it hard to find? Is the content stale?
5. If you have marketing campaigns that direct folks to your website, have them land on different pages. When doing this, you are then able to accurately track which campaigns worked.
6. When you visit Delphia Consulting, there is a parking space marked for you. They keep track of your beverage in their CRM system so the next time you visit their receptionist can ask if you would like a Diet Coke. They focus on the customer experience.
7. Our favorite quote, "The client experience is the only point of differentiation that can't be replicated," from Buster Kennedy of Elliot Davis.
8. BLOGS are HOT! Pannell Kerr Forster of Texas, P.C. (PKF Texas) was honored with three AAM Marketing Achievement Awards, including the top award, Best in Show, for their business blog, [www.fromgregshead.com](http://www.fromgregshead.com).
9. In a survey by RainToday.com, 69 percent of buyers of professional services stated that they are likely to consider calling service providers of whom they already have "personal recognition or awareness." Among the top 20 ways buyers searched for providers, "previous awareness of the provider" was one of the most commonly cited, second only to referrals.
10. FISH – First Impressions Start Here – keep little fish stickers on the phone to remind people how important the way they answer the phone can be to customers.

## Quick Tips To You

### How Often Do You Update a Blog?

At a recent conference we attended, DuoConsulting ([www.duoconsulting.com](http://www.duoconsulting.com)) suggested, "When you have something to say." Although well-read blogs update daily or several times a week, only blog when you have something to share.

### Presenting to the Audience

Whenever possible, build time into the beginning of your session to let participants introduce themselves and share what they hope to take away from your presentation.

It helps to understand what questions are most pressing to your audience and "breaks the ice" in the room so people feel more comfortable asking questions or making suggestions.

If the group is very large, have each person at least introduce themselves and say their concerns to their table. Then ask the large group what the main concerns are.