

The Handbook for Business, the Bible

33: Aim to work for kings - part 2

Last week, I shared a powerful principle based on Proverbs 22:29 - *"Do you see a man skilled in his work? That man will work for kings; he won't have to work for ordinary people"*

The principle is simple: in every marketplace there is a premium segment of people who are prepared to pay a lot more than the average to have their problem identified and solved.

Kings make buying decisions based on value, not price:

I mentioned the bloke who started selling \$500 templated websites to ordinary business owners but pivoted to offering \$1,500 sites, now \$5,000, to kings.

The principle must work because some people will pay \$130k for a TV and \$46k for a mattress.

Another example - Starbucks: they began by selling \$3 gourmet coffee in a 65-cent market in the 1970's; then they started selling the coffee beans...and eventually, coffee machines for \$2k, selling vast numbers! Among their customers, was another premium segment.

I use these examples to challenge you to drill down into (a) your customer base and (b) your product offer; identify the king or premium customers who will appreciate a premium offer.

This is Solomon's wisdom - it makes sense to offer your best, skilled work to kings because ordinary people are happy to buy your standard product; nothing wrong here, just horses-for-courses.

You're in business to serve by solving problems; so, get serious about issues such as:

- ...What problem or pain does your business solve for your ideal customer?
- ...What's the biggest frustration people have dealing with your industry?
- ...What is your unique solution to that problem or frustration?

What specifically should business owners be looking at?

1. Within your customer-base, **WHO** are your king customers?
 - ...Identify the 20% of customers who likely provide 80% of your profit
 - ...Who are they and what are their characteristics?
2. **WHAT** must you do to transition your standard offer to a slam-dunk, premium offer?
 - ...The focus will be on quality, speed, excellence, customer experience, attention to detail
 - ...And time - how could you invest more time with these people including pre & post sale?
3. **HOW** will you get a message to your existing customers...and prospects?
 - ...Create a marketing campaign to connect with these king customers
 - ...Develop a message-to-market that hits their hot button & solves their problem
 - ...Nurture these relationships by communicating love - value, care, excellence, attention

By making 2-10 times the profit serving kings, the impact on overall profit is will be huge:

- * Some, like the computer bloke, generate a lot more profit by letting some ordinary customers & prospects go so they can focus on the kings.

And you might be surprised how many ordinary customers become kings given the right offer!