Ideal Customer Profile (ICP)

Key Stakeholders
- Sales
- Marketing
- Finance
- Services
- Customer Support

Key Steps
1. Identify key customers
   - Identify the top 20% of your customers and look for common characteristics
   - Analyze: Annual Revenue, Average Contract Value, Lifetime Value, # seats/licenses

2. Engage key stakeholders
   - Identify representatives from marketing, finance, customer success, customer support, services and anyone else that needs to be aligned with your ICP
   - Invite them to participate in the process.

3. Create Ideal Customer Profile
   - Work with your stakeholders to create an ideal customer profile based on the attached template

4. Integrate into All Activities
   - Share the ICP internally across functions
   - Use ICP to guide sales and marketing initiatives
   - Integrate ICP into sales training
   - Use ICP to help score opportunities

5. Monitor and Adapt
   - Compare wins/losses to the ICP
   - Track all characteristics including profitability metrics
   - Monitor market developments for factors that could influence your ICP
   - Adapt as needed
# Ideal Customer Profile Example

Use this tool to identify your ideal customer; and also to analyze potential prospects for fit.

<table>
<thead>
<tr>
<th>Characteristic</th>
<th>Description</th>
<th>Ideal Customer</th>
<th>Prospect Fit</th>
</tr>
</thead>
</table>
Company size: $, employees, valuation  
Location  
Industry segment | B2B  
$50 - $500M  
North America  
Tech | 4 |
| **Business Need**       | Critical business issue. Why do they need our solution?  
Compelling reason for change now?  
Do they have key roles? Buyer identified? | Slow growth  
Layoffs – need to act  
CEO lead with CMO/CRO + Business Unit Head | 4.5 |
| **Business Context**    | Current financial situation: profitability, credit history?  
What is their vision?  
What is their strategy? E.g. leader, low-cost, copy fast | Still profitable. Want to transform and deliver the most value to their customers | 4 |
| **Behavioural**         | Risk Attitude: risk averse, calculated risk, risk taker  
Why did they choose us?  
Who are they influenced by: analysts, peers  
Culture: easy to work with | Calculated risk taker. Looks to analysts and other customers. Open to change. Wants someone that understands their business, and is a partner. | 3 |
| **Environment**         | Technology environment: hardware, software  
Technology competence/skills | Salesforce, SAP,  
Have some competence but need help | 2 |
| **Profitability**       | Expected Customer Lifetime Value (CLV)  
Expected Customer Acquisition Cost (CAC)  
Length of the sell cycle  
Potential for growth within the company  
Potential to be an advocate E.g. reference, case study | CLV $2M.  
Average contract $50K  
CAC between $1K - $5K  
Sell cycle: 1 - 3 mo; upsell = $100K/yr  
Candidate for case study, reference | 4 |
| **Total Score**         | Maximum score 30 | 20-30 = Priority Prospect  
15 - 20 = Subpar Fit  
< 15 = Not a Fit | 21.5 |