



## “KNOW THY CLIENT”

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**By Robert E. Ray, ESC Consultant**

Successful nonprofits today are “client- centric”. The major focus of these organizations is to understand and serve their clients’ ever-changing needs. To achieve this level of management sophistication, the nonprofit must, first, attain a board/staff consensus as to who is the nonprofit client. Surprisingly, many nonprofits have great difficulty arriving at this determination. Nonprofits have many clients (or stakeholders)--funders, public agencies, collaborators, and the general public--but one client will be the core client. This is the consumer or end user of the core service.

The nonprofit should have a tight definition of this core client. A nonprofit should certainly know the demographics such as age, gender, geographic location, and other data, depending on the type of nonprofit entity. But, more importantly, the nonprofit should know the client’s likes and dislikes about its service and his/her unmet needs and desires. With this information, it can build its client base and offer new and improved services to ensure the sustained growth of the organization.

So how do you gather this in-depth knowledge about your core client? You start by initiating a client relationship management system. If you are a human service organization, you develop an in-take system to get the data. An arts/cultural nonprofit might survey the attendees at its exhibits or performances. And a membership nonprofit, such as a land trust, might design its membership form to collect the desired information.

Once this data has been collected and a client database created for your nonprofit, the information can easily be analyzed with today’s computer software. An interesting phenomenon that you will probably find is what’s called the “80/20 rule”. This states that 20% of your clients consume 80% of your services, your time, attendance or sales, if you are selling a product! It doesn’t work in every organization, but the analysis will probably help you identify your core clients.

As stated, defining your core client is the first step to successfully marketing and growing your nonprofit organization. Today there are two types of marketing that you need to be doing—upstream and downstream marketing. Everyone is familiar with the downstream marketing activities such as advertising, promotion, publicity, and special events, but fewer nonprofits are familiar with or employ upstream marketing. These are market research activities such as client focus groups; mail or on-line surveys; new product or improved product concept



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testing; client satisfaction/needs analyses, and other methodologies that increase your knowledge about the client.

The nonprofit client today expects you to provide a solution to his or her problems or needs. It is referred to as “providing a value-added proposition” in marketing lingo! A deep knowledge of your client is required to accomplish this. Most nonprofits can do this in an affordable way, regardless of the organization’s size. And, if your nonprofit expects to achieve sustained profitable growth, it’s going to have to be “client- centric”!