**Focus is the Key to Growing Revenue while Reducing CAC**

FOMO, Fear of Missing Out, opens the door to becoming a sloth of a company where nothing you do seems to make a big difference. The conversation starts like this, “But if we only do that, then we might miss sales over there.” We want it all. We don’t want to put our eggs in one basket and possibly miss a golden egg right around the next corner.

Unfortunately, this hope and hesitation to commit is compromising your efforts to grow. There’s a solution.

Here’s why it’s a problem: If you don’t focus, you dilute. You dilute where your marketing dollars get spent, you dilute the content you pay to create, you dilute who your sales people call, even your pricing is compromised.

Here’s an example. Suppose I have a service that matches professionals to companies needing temporary help. Your sales and marketing will be focused on capturing the attention of a set of hundreds of thousands of possible prospect companies. With so many prospects, you feel good - your TAM is huge and investors like that. The sky’s the limit! However, your sales and marketing budget and hours will be highly diluted – a thimble of dollars and hours thrown into a sea of spend. You won’t make a dent. Your sales will be anemic.

Focus is looking deep into your customers and data. In almost every market, the Power Curve applies, the Head and Long Tail. It does to yours too. Look objectively at your customers and find out who pays you, which customer cohorts have the highest LTV and margin. Call if you need help doing this analysis but hopefully you can see the head and the tail in your customers.

Now, let’s rethink your strategy. Instead of targeting “companies that need temporary help” you are targeting “Manufacturers with $10M to $500M in revenue”. Now instead of diluting your generic marketing and sales across of sea of opportunities, you can set a laser-focused offensive strategy to hunt down and win the hearts of a list of people in 5,000 companies that fit your best cohort.

This does not reduce your TAM. If gives you control. Cohort by cohort your can order and attack each based on the speed you can win sales, TCV and size of each cohort. You can actually calculate the ROI goal on sales and marketing spend for each segment. Now you are in control. Cohort by cohort you can expand and know how much it will cost to acquire the customers.