Power

The CPG ICP Audit

A Checklist for Finding Out Who Your Customer Actually Is

Includes two companion tools referenced throughout this guide: the Survey Question Template and the Cohort Analysis Checklist.

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The Diagnosis Most Brands Miss

CAC keeps climbing. Creative isn't landing the way it used to. You've diversified channels, refreshed the media mix, tightened the funnel, all the standard moves, and the numbers still won't budge like they used to. So you push harder and optimize more.

Here's the uncomfortable part. The problem usually isn't your media mix or your creative. Those come later. It starts earlier than that: your ideal customer profile was built on assumptions, and every dollar after inherits that error.

Many CPG ICPs were built once, years ago, off internal perception and a slice of retailer data. They were never validated against who actually buys, comes back, and refers. In CPG that gap runs wider than in almost any other category, because the data is harder to see in the first place.

> "Roughly 90% of CPG revenue happens in store, and every single time an in-store purchase happens, you're going to have data loss."
>
> – Tim Ryan, VP of Strategic Solutions

Compared to a pure DTC business, a CPG brand is flying with far less signal about who is actually in the cart.

So brands fill the gap with what they can get. Retailer platforms and syndicated panels promise to tell you "here's everyone buying in your category." But as Tim describes them, that data is "very blackboxy. It's one type of person, taking one type of survey, in one type of way, shopping at one specific place." Big business decisions get made on a narrow, borrowed data set, and then everyone wonders why performance is soft.

This guide is built around one audit: five checks that pressure-test whether you actually know your customer, what to do about it if you do not, and where the work gets hard enough that most teams bring in help. First, it's worth walking through why guessing gets more expensive every quarter, and the signs you're already off target.

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The Hamster Wheel: Why Guessing Gets More Expensive Every Quarter

When a channel or a program underperforms, it is almost always one of four things: wrong type of spend, wrong channel, wrong way of measuring, or talking to the wrong person. The first three get all the attention. The fourth gets almost none, and it is the one that touches everything else.

> "How much media you spend depends on how many target customers you have. What creative you run depends on what the customer wants. What message you say depends on what the customer is looking for."

Get the customer wrong and you are not making one mistake. You are compounding it across every line of the budget.

That is the hamster wheel. Performance dips, so you spend more on ads to compensate, so you become more dependent on ads, so your margins erode, and none of it fixes the core problem. The industry argues endlessly about whether media mix one beats media mix two. Almost nobody asks the more valuable question: what is the lifetime value of the customer I am actually acquiring? "Is it a hundred bucks, or is it fifty bucks?" Where are those valuable customers, and what do they want to hear? Those questions are missing from the conversation, and they are what protects your margin.

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Signs You Might Be Targeting the Wrong Customer

You do not need a research project to get suspicious. Watch for these:

- A channel or program comes back below what history predicted, with no clear explanation.
- Bounce rate is high or on-page engagement is low. People arrive and leave. The message did not match what they came for.
- Branded search is not growing. You are spending, but you are not generating demand.
- Social following has stalled or is drifting.
- Your creative “works” in the platform dashboard, but blended efficiency keeps slipping.

Any one of these can have a tactical cause. But when several show up together, the customer is the first place to look. Not because it is the obvious lever, but because it is the only thing that touches everything else.

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The Audit: Five Checks on Whether You Actually Know Your Customer

Treat this as a checklist, not a strict step-by-step process. The checks feed into each other, so don't be surprised if you loop back to an earlier one as you go. The goal is to hand you everything you need to start, and along the way, you'll see exactly where it stops being something one person can pull off alone.

Underneath it all is one idea worth stating plainly. There is no single source that tells you who your customer is. There are three, and each answers a different question:

Any tool that claims to answer all three from one feed is selling you a blackbox. Here is how to run each check:

Deterministic	Probabilistic	Survey
Your own data, enriched	Panel data	Talking to real people
Who have I already attracted?	Who is the customer of tomorrow, and what moves them?	Why do they buy, or not?

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Check 1. Audience Intelligence: Pull the Panel View

Use a panel-based audience provider to build a high-level read on your market. Not to find your exact buyers (it cannot do that), but to understand the landscape you are competing in.

What to pull:

- Demographics and psychographics
- Media habits, and separately, where brand discovery and engagement actually happens. Raw media usage will point you at messaging apps; discovery tells you where a potential customer first meets a brand like yours, which is what you can actually act on.
- Purchase drivers and behavior, price sensitivity, and competitive affinities
- Brand qualities they look for when making a buying decision in your category. Things like being reliable, convenient, trendy, cool, smart, or bold.
- **What it should change:** everything downstream - your media mix, messaging pillars, content, the visuals on your site, your organic and paid strategy, even your packaging design.
- **What it cannot tell you:** why someone buys your product today, or answers to specific questions about your brand. Panel data is opportunistic and generalized. Treat it as the starting line, not the finish.

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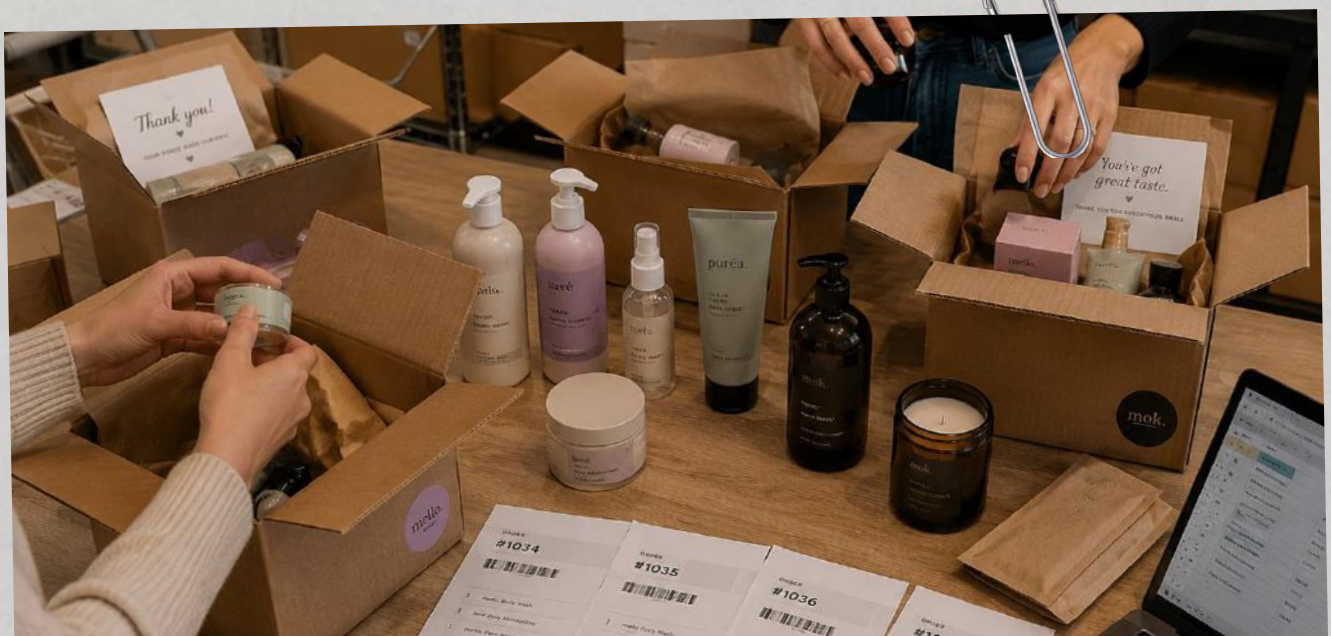
Check 2. Deterministic: Enrich Your First-Party Data

Take your first-party data and enrich it through a data partner. This is the check most brands skip, and it is the one that tells you who your current customer actually is, instead of what your GA traffic or your gut implies.

The power of deterministic work is that you can cut it any way you need:

- Buyers of a specific category or product
- Customers who bought a given product first
- Relative weighting of your customers by demographic
- Your top 30% of customers by LTV compared to your bottom 30%

That last cut is the one that changes decisions. Which brings us to cohorts.



Check 3. Cohort Analysis: Separate Your Highest-Volume From Your Highest-Value

Highest-volume and highest-value are not the same people, and confusing them is one of the most expensive mistakes in CPG.

- **Highest-volume:** high purchase rate, but often discount shoppers who buy once on a promo and leave.
- **Highest-value:** repeat customers who buy with or without a sale.

Here's a simple framework that translates cleanly into marketing decisions: who do you want to hire, and who do you want to fire?

HIRE – TOP 30% BY LTV

Who are they? Go get more of them. What do you need to say to attract more people like them?

FIRE – BOTTOM 30% BY LTV

The one-and-done discount shoppers. What should you change to stop prioritizing them in your marketing?

Your cohort work also tells you who to survey in depth and who to simply scale against. The cohort is always informed by the question you are trying to answer.

COMPANION ASSET

The Cohort Analysis Checklist walks through this LTV split step by step.

Check 4. Voice of Customer: Survey the People Who Matter

This is the non-negotiable, and it is the one manybrands underuse. Not because it is hard, but because they do not realize how much it can do.

> **"You wouldn't believe how many problems can be solved by just talking to your customer."**

A few examples straight from the work:

- Wondering if a loyalty program would land? Ask your highest-LTV customers before you build it.
- About to spend $200,000 testing new messaging in paid? Survey your opportunity customers first and get the answer in days instead of months.
- Losing share to a competitor? "Is it their price, their fabric, their quality, their store experience, their website, their marketing?" Go ask your customers. They will tell you.

The cohort is informed by the question. If you want competitive perception, survey competitive customers. If you want growth, survey in-market prospective customers. If you are testing a loyalty idea, go to your highest-LTV cohort.

One honest note on survey design. There is real science in how questions get structured to produce statistically valid answers, and that is genuinely an industry unto itself. You do not need to master it to start. What you should know is that the way a survey is built determines whether you can segment the results and trust them, and that is where expert design earns its keep.

COMPANION ASSET

The **Survey Question Template** gives you a starter set of questions organized by objective.

Check 5. Persona Build: Validate, Do Not Assume

Here is where the audit gets pointed, because this is where a lot of brands are quietly wrong.

Most personas are built on assumptions. Increasingly, they are built on an AI prompt with little supporting hard data, scientific rigor or justification. That is a dangerous game. Tim describes what has become standard practice at other agencies: “they’ll just look at the products a customer bought in Shopify, upload that to Claude, and say tell me who this person is.”

Power Digital tested exactly that. We ran a synthetic, AI-generated survey and then compared it against a real survey of real, human customers. We asked the same questions, used the same sample size, and used the same audience parameters in both the real survey and the synthetic one and compared the results.

30-45% off

How far the AI-generated answers came back from what actual customers said, on the same questions.

Read that again if you have a persona strategy built this way. Between a third and nearly half of what you believe about your customer could be wrong, and every media, creative, and channel decision is inheriting that error.

The point is not that AI has no place in customer intelligence. It does - it’s extremely useful for processing large quantities of customer data rapidly at scale. The point is that you cannot rely on it alone, or lean on it to replace talking to the real people who matter most to your brand - your customers.

A validated persona is built on data rigor: a real audience size, a recent data set, cross-checked across multiple sources, and grounded in actual customer survey feedback. When you apply that rigor, the personas often change. Sometimes existing work holds up beautifully, and then you have confirmed it cheaply. Either way, a fast validation, even a simple survey, answers the only question that matters: are we still talking to the right people in the right way, in the right place, at the right time?

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From validated personas, you build two profiles, not one:

- **Your current customer profile:** who you have attracted and what they care about.
- **Your opportunity customer profile:** who is missing, and how you go get them, without sacrificing the brand equity you have built with your current base.

Putting the ICP to Work

Knowing your customer is not the deliverable. Acting on it is. A validated ICP should visibly change:

- **Channel prioritization:** you show up where your actual customer discovers brands, not where a panel says people spend screen time.
- **Creative and messaging**: the language your customers used in surveys becomes your hooks. You say the things that hire high-LTV buyers and stop saying the things that attract the bottom 30%.
- **Media mix:** where your real customer shops reshapes where your dollars go.

And this closes the loop back to CAC. When your impressions reach the right eyeballs, at the right time, with the right message, every dollar is measurably more efficient. That is the mechanism that reverses rising CAC. Not a new channel. The right customer.

What This Looks Like in Practice

- **Liquid Death**: ran a major customer project with Power Digital and got significant value out of it.
- **Leading alcoholic beverage brand:** came in with rising CAC, diminishing market share, stale creative, and an ICP built on dated assumptions. ICP refresh powered a brand strategy and creative revamp.

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How to Start This Week

You can begin the audit yourself, today, without us:

1. Survey your current customers. You have a CRM. You know your top buyers. Deploy a quick email questionnaire with an incentive: “Fill this out and get 15% off your next order with this code.” Any brand can do this right now.

2. Pull the panel view if you have access to an audience tool.

3. Identify your top cohort. Run the top 30% versus bottom 30% LTV split.

4. Draft your survey questions. Start with the objective, then work backward to the questions. Use the companion template to get moving.

That gets you real signal fast. A few parts of this get noticeably harder from here.

Where the DIY Version Runs Into a Ceiling

Everything above, you can run yourself. Where it gets genuinely hard is in three places.

- **Survey design.** Getting to answers you can actually segment and trust takes real methodology, not just a list of good questions.

- **Connecting insight to activation.** A finding is only as useful as its execution within the campaign. Most teams have the insight, and a gap, before it ever touches media, creative, or messaging.

- **Industry-level context.** Your own data tells you about your customers. It won’t tell you where you sit against the category, or who you’re missing relative to it.

None of that means the audit was wasted. It means you now know exactly where the DIY version tops out, and that’s worth knowing before you spend more against the wrong number.

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Continue the Audit

Two companion tools referenced throughout this guide are built to move you from checklist to action:

COMPANION ASSET

The Survey Question Template

A starter set of customer-survey questions, organized by the business decision they answer.

COMPANION ASSET

The Cohort Analysis Checklist

The step-by-step for splitting highest-volume customers from highest-value ones.

READY TO GO PAST THE DIY VERSION?

Power Digital runs the full version of this audit: survey design that holds up statistically, cohort modeling tied to your media activation, and industry data layered on top of your own. Rigor, plus a direct line into where the campaign runs.

Talk to Power Digital ↗