

## 01: Attracting New Business

### New Business *Can* Come Knocking On Your Door!

How good would it be if new business came to you rather than you having to find new business? And what if new business came to you and it didn't cost you a penny in advertising? Wouldn't that be good? The good news is : it is possible!!

Businesses throw large amounts of money at all types of advertising as well as employing teams of sales representative, canvassers and cold callers, but this isn't the only answer to securing new business.

What if gaining new business was as easy as recommending a good restaurant, film or book? Have you ever recommended one of these to a friend or family? Have you ever stopped to think that the restaurant, cinema, author and/or publisher are making money from your recommendation and that it cost them absolutely nothing in advertising to get that piece of business as a result?

So how do you apply this to your business? : by harnessing the power of word of mouth referring. Business people naturally know lots of people including many other business people.

If in your day to day routine you were to come across a potential piece of business for a friend's business, would you refer it to them? Of course you would. So therefore your business friend receives a lead that he can convert into new business, new business gained without spending a penny on advertising. It is said that a referral generates 80% more business than a cold call. So not only is there a saving on advertising but there is a significantly better chance of converting a referred lead into new business.

So your business friend who gained new business from your referral will of course be grateful to you and will look out for others requiring *your* services. Multiply this situation so there are a group of, say, 16 business friends, ideally all in different lines of business, keeping their eyes and ears open for potential



referrals for each other. Now, in all essence, you have an unpaid sales team of 15 people working on your behalf. And the beauty is, not one person is spending any additional time, cost or effort, each is just being aware of opportunities for each other in their usual day to day routine.

All we are working on is word of mouth referral combined with the premise that “givers gain”. These two combined together provide a very powerful tool. For example, it is said that on average a person knows around 250 people. I would argue that for a business person you could double that amount, but let’s work on a figure of 400 for the following. If your 15 business friends can give you access to 400 people each, that amounts to 6000 people through a chain of just one person!

You can tap into the power of word of mouth referral by just spreading the word on a day to day basis as you meet people. You can speed up this process by attending business events, a prime example being business to business networking events. After all, networking is just another term for word of mouth referral and provides an environment where others believe in “givers gain”. It is said that approximately 70 percent of all business is found through networking of some sort.

Networking is not new, it has always gone on, in the pub, in the gym, on the train, Rotary Clubs, Round Table etc, it is all networking. Networking is becoming more and more popular with many companies now realising its potential.

As a result there are now organised networking events, some of which are dedicated to networking only. So get networking before your competition beats you to it!

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