



Finding New Sales Prospects

Prospecting is crucial to small business survival. In order to grow, your small business will need to expand its customer base. But even loyal customers eventually use other suppliers, so you'll have to acquire new business just to maintain the status quo. That means expanding your sales prospects. To get started, try these nine techniques:

1. List the firms that compete with your customers.

Each company on that list is a potential new customer.

2. Solicit referrals.

Offer discounts, freebies or other incentives to customers who bring you new business.

3. Try direct marketing.

Direct marketing and mailing lists are a convenient way to identify and obtain lists of accurate, targeted sales leads for your business.

4. Seek out symbiotic partnerships.

Prospect sharing with similar industries can provide benefits to both parties. For example, an alliance between a body shop and an auto repair shop lets each company recommend customers to the other and creates a more complete service offering. A word of caution: Before you enter into this type of alliance, make sure you can vouch for the other company. Otherwise their mistakes could sully your good reputation.

5. Look outside your niche.

Think creatively about other markets that may want your product or service. Visit trade shows in crossover industries for ideas. A prime example of a company that expanded their niche business is Dansko. This clog maker used to cater solely to hospital workers, but expanded its horizons and now markets and sells its shoes to mainstream retailers and customers.

6. Consider tweaking your product or service.

One way to expand into new markets is to appeal to a broader range of customers. Keep your eyes peeled for opportunities that are related to your current business. Case in point: Mercury Interactive invented the testing-tools software industry, allowing customers to check for bugs before computer programs go to market. Not content with its leading market share, the firm made small modifications to its software so that it also could check for Y2K problems. Later, Mercury again refined its software to make it applicable to the exploding e-commerce testing market.

7. Go global.

Don't ignore potential customers just because they live in a different country. Selling to the United States, the rest of the Americas and overseas has become much easier in the last decade. Trade barriers have fallen, while technological advances have simplified cross-border communication. Consider whether your product or service might work well in another country and explore opportunities there.

8. Do good deeds, and inform prospects of your philanthropy.

Environmental groups, for example, will provide your company with referrals if they know you provide environmentally friendly services (your oil-change station recycles used oil) or products (your paper store sells chlorine-free products).

9. Advertise creatively.

Consider special promotions, different media or other new ways of getting your message out. If you aren't advertising already, now may be the time to start.

Save time



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