



Talking point: Don't underestimate the impact word of mouth marketing can have

The power of word of mouth



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HAVE you ever analysed where your best customers actually come from? Try this simple task. Write down the names of your top 20 customers and next to them write down the exact source of those customers.

Be specific. Were they referred by a friend or family member or another business and if so who was it?

Did they come from yellow pages advertising or via an internet search?

Did they come from a direct mail campaign or from meeting someone at a networking function?

If you are not tracking the source of every new client, start now.

It will give you a true insight into where to spend your marketing dollars and energy in the future.

Now that you have done this task, count how many came to you via word of mouth marketing; via a referral from an existing client or a business alliance or from your informal and formal networks. I bet quite a large percentage.

When we want more customers we often turn to more traditional ways of trying to get new

business such as advertising or direct mail and we ignore the power of word of mouth marketing and what we can do to generate more referrals.

Not many businesses have a word-of-mouth marketing game plan, yet it can be one of the least costly and most effective ways of marketing your business.

One such strategy is to build alliances with other businesses.

For example, if you own a business that provides customer database software, you could build alliances with graphic designers, website developers, other software providers, training businesses, business consultants and professional advisers who work in your target industry.

These businesses can be the biggest source of new customers and can fill your referral funnel with quality prospects.

Don't forget, however, that it must be a two-way street.

You need to be freely referring your clients to these businesses in return.

As business owners, we need to build our own word-of-mouth marketing game plan so we get so many quality referrals that we never have to prospect for new business again.

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