

Illawarra Small Business Assistance

HELPFUL HINT – JUST HOW POWERFUL IS WORD OF MOUTH MARKETING?

Are **YOUR** customers “users”, “choosers” or “braggers”? There is absolutely no more important customer than the one who willingly talks positively about your business and will refer quality customers to you.

Do you know how many of your clients came to you as a product of word of mouth marketing?

When you are looking to build more clients do you turn to the more traditional ways of trying to get new business, such as advertising or direct mail?

At a series of customer service workshops IACC sponsored last November we started out by emphasizing the critical importance of moving customers up in status from purely being “users” of a product/service to becoming “choosers” and thence eventually becoming “braggers”.

Do you have a word of mouth marketing strategy?

Such a strategy can be one of the least costly and most effective ways of marketing your business.

One of the very first things to do is to analyze where your best customers actually came from. Do this by recording the names of your top say, 50 clients and then identify the source of those clients. Were they referred by another client, a friend or family member or another business and if so who? Did they come from yellow pages advertising, via an internet search, a direct mail campaign or from meeting someone at a networking function? To answer these questions you will most likely need to speak directly with your client or gain their input from a survey which might also usefully address other important feedback.

Now that you know 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 you can start to build a framework for your strategy.

The next step is to contact each of the referral sources to find out specifically why they have “bragged” about your business. It could be that they have experienced 'out-of-the-ordinary' customer service or that they really appreciate your customer loyalty program or when you provide them with that 'something special' when it's not expected. It could be that they also perceive you to have the best reputation in your field or industry. Or maybe in their view, you have a remarkable and unique product or service offering that no other business can match.

Once you know why people are “bragging” about your business, you can be sure to preserve and build on the things that are important to them to refer you even more business and to duplicate this positive sentiment across your client base.

Another component of the strategy is to compile a list of the people you know who are likely “choosers” that you would like to move up to “bragger” status. Make up a set of action plans to meet with them and explore with them what you need to do to help them to talk positively to others about your business.

An important part of getting the mix right is to look at ways of returning the favour to your referral clients by being an equally positive advocate for them. This might involve speaking highly of them or referring clients to their particular business as part of a networking or alliance arrangement. Another measure can be to reward them appropriately via your customer loyalty program.

If you don't already have a system of tracking the source of every new client why not start now? It will give you a valuable insight into where best to spend your marketing dollars and energy in the future.

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