

Buying New Customers

By Brad Sugars, Founder of ActionCOACH

Earlier this month, Brad Sugars, Founder of [ActionCOACH](#), spoke nationally about the revolutionary rules of “Buying Customers” with far less money.

What most people call getting new customers, Brad calls “buying” new customers.

The reason? If you stop and think about the price you're paying to bring in added shoppers in terms of time or money, you can start to make better decisions about how and where to put those resources.

The practice is especially important for new business owners who tend to not only have more limited means, but also don't generally register a profit from a new customer until the fifth or sixth purchase. And without a stable of customers to tap for repeat purchases, being more careful about where you ply your limited resources can only serve you.

Here are four simple ways to “buy” new customers:

1. ADVERTISING

The key to advertising successfully is to generate promising leads in exchange for the money you spend. To do so, it helps to offer a message that not only hits on your target customers, but also showcases the value you can offer them.

Take television, for example. In general, TV will be your most expensive option. But targeting based on programming instead of channels or networks -- that is, placing ads on “Cooking with Joe” versus a campaign on a cooking network -- offers a more specific outlet for your resources.

Radio also allows you to selectively target formats and programming. And even in large metro areas, you can often score inexpensive sponsorships of weather or traffic reports.

And though newspaper subscription has dwindled in recent years, depending on your market, they're still a worthy option for attracting new customers. If your target market is, say, people aged 55 or older, you may want to consider community papers or niche publications as older consumers still rely on them for information.

But even older people are increasingly turning to the Web -- making it a definite jumping off point for any advertising strategy. To tap into this medium, your first step is to establish a Web presence if you don't have one already. Then, depending on your target customer -- consumers at large or other businesses -- pick your Web channel. **LinkedIn**, for instance, is a mainstay among businesses, CEOs and other owners and entrepreneurs, while **Facebook** remains wildly popular among consumers.

2. NETWORKING AND REFERRALS

Landing referrals from networking or past business associations isn't just a cheap way to pick up new business. It's also a way to pick up customers with the highest retention rates. What's more, referral customers tend to purchase more over time and in turn become a source of additional referrals.

How do you find referrals? Beyond having a product or service that's in demand, you must have a clear idea of who your “perfect” or “ideal” customer is.

That way, you can communicate to others in your network what type of customer you're looking for. You can also focus your own products or services to meet the needs, wants or desires of that very specific profile.

Then, you need to ask for referrals from satisfied customers. Be sure to also find ways to continually thank your sources for their ongoing advocacy of your business.

3. TEAMING UP

Another way to leverage available resources is through what's known as a “**host-beneficiary**” arrangement. In this arrangement, another business with the same target customer will use their database to promote your business.

They might attach a gift voucher or other discount offer for your products at the end of one of a newsletter or mailing. Examples of this include: a high-end hair salon and a high-end car dealership or an attorney and an accountant.

To draw in another business, offer to pay for the business owner's mailing or email expenses, or offer the business owner commission on any sales.

4. STRATEGIC ALLIANCES

You might take that partnership a step further and form what's known in the industry as a “**strategic alliance**”. While a host beneficiary relationship is generally a one-time or short-term commitment, strategic alliances can sometimes last for many years. For instance, a Web designer and an ad agency might send each other referrals for clients who need added services.

As long as there's continued value to the shared audience, strategic alliances produce streams of referral business, which is ultimately what will benefit you most over time.

Contact us at marketing@deltaservices.com.au

www.deltaservices.com.au

