



how to

**find new customers
with spending power**



...JUST ASK EXPERIAN

New customers are the lifeblood of your business. But seeking them out can be time consuming and expensive if you don't take steps to vet them thoroughly first. To give you a helping hand, here's our guide to the basics.

Why is finding new customers so hard right now?

In the current financial climate, finding new customers isn't easy. There's nothing worse than spending a lot of your time exploring potential avenues for new business, when in fact they often lead to dead ends down the line. The reality is, not knowing enough about your new customers usually leads to low response rates, wasted resources and marketing budgets. We're here to help get you back on track, with tips on how to find some fresh prospects with the spending power to be long-term, profitable customers.

How can I use the power of recommendation?

The best promoters of your business aren't you or your team. They are your happiest customers. Third-party recommendations are far more powerful than any form of advertising, and a good starting point is to talk to your happy customers and ask if they know other businesses who may be interested in your offerings. Find out as much detail as you can so that you can approach them at a personal level with an offering that's really relevant to their needs, or even better, get your customer to help arrange an introduction.

Where can I find new customers with spending power?

When looking for ideal new customers, you first need to identify the common characteristics that your best customers share. This is often called 'segmentation'. It's much less complicated than it sounds; the goal is to define clear categories that your existing customers fall into, so that you can find 'look-alikes' who are more likely to spend on your products or services.



How do I identify my best customers?

Start by looking in your database for the most profitable customers and placing them in categories. If you're unsure of how best to categorise them, pick up a copy of the Yellow Pages, Thomson Local or similar directory and start placing them in the same business categories as these have.

Once that's done, add more detail by considering what your contacts' job titles are, where they're based and why they prefer you over your competitors. This exercise will help you pick out future customers quickly and more efficiently.

...JUST ASK EXPERIAN



How do I find new customers?

Once you've got a clear picture of your most profitable customer segments, you can use this information to start building a list of ideal targets. You can use business directories, but for higher volumes you'll need to consider buying business lists through a reputable provider.

Be wary of list providers that guarantee unrealistically high success rates, and avoid going for quantity over quality. Ensure that you're getting good leads that have either been pre-screened or verified properly. Some data providers also offer 'propensity lists', which contain targets that are proven to buy the products and services you're marketing.



How do I get in touch with new customers?

Once you're happy with your contact list, use the information from your segmentation exercise to try and improve your chances by developing marketing messages relevant to your potential new customers. Beyond that, think about how they might prefer to be contacted, whether it's through an email marketing campaign, by phone or more traditional direct mail. More often than not, the key to successful contact is in using a combination of these.



Check that your new customers have spending power

You can credit check businesses and individuals through a reputable credit reference agency for an insight into their financial stability and legal status, in case any County Court Judgments (CCJs) or outstanding invoices have been raised against them. This allows you to avoid high-risk new customers from the outset, as well as highlighting those who could have spending power.



40%
of business data deteriorates year on year*



Clean and enrich your existing database

Business data goes out of date very quickly - as much as 40% each year. That includes companies going bust, changing their name, changing their nature of business, as well as contacts moving on. Aim to assess the accuracy of your database by filling in gaps or adding more detail on a monthly basis.

* DMIS Direct Marketing Trends in Business to Business

...JUST ASK EXPERIAN



How do I get in touch?

To find out more about how Experian can help your business, please visit www.experian.co.uk/small-business

Look out for our other guides on...

- How to find finance more easily
- How to improve your credit score
- How to manage your cashflow
- How to check out your suppliers
- How to recruit good people without risk
- How to execute successful email campaigns
- How to drive customers to your website

© Experian 2011

The word "EXPERIAN" and the graphical device are trade marks of Experian and/or its associated companies and may be registered in the EU, USA and other countries. The graphical device is a registered Community design in the EU.

All rights reserved.

...JUST ASK EXPERIAN