Small Business Prospecting: 10 Strategies for Generating New Business

Drive sales by prospecting for new clients
Learning Objectives

At the end of this module, you will be able to:

– Understand the importance of prospecting.
– Identify different ways to successfully prospect for new clients.
– Identify the best prospecting strategies for your business.
The Federal Deposit Insurance Corporation ("FDIC") recognizes the important contributions made by small, veteran, and minority and women-owned businesses to our economy. For that reason, we strive to provide small businesses with opportunities to contract with the FDIC. In furtherance of this goal, the FDIC has initiated the FDIC Small Business Resource Effort to assist the small vendors that provide products, services, and solutions to the FDIC.

The objective of the Small Business Resource Effort is to provide information and the tools small vendors need to become better positioned to compete for contracts and subcontracts at the FDIC. To achieve this objective, the Small Business Resource Effort references outside resources critical for qualified vendors, leverages technology to provide education according to perceived needs, and offers connectivity through resourcing, accessibility, counseling, coaching, and guidance where applicable.

This product was developed by the FDIC Office of Minority and Women Inclusion (OMWI). OMWI has responsibility for oversight of the Small Business Resource Effort.
Small Businesses cannot survive without getting new business - prospecting is a crucial skill for Small Business Survival.

Using these 10 simple strategies will help any business be successful at prospecting.

Prospecting is something that cannot be done on a whim. A business has to continuously practice and improve to become good at prospecting.
10 Strategies for Generating New Business

1. Build A Client Profile – Define, Document and Target your “Perfect Client”
2. Cross-Pollinate – Create synergies & partner with other companies
3. Use Prospecting Software And Other Technologies – Use technology to streamline your prospecting processes, set objectives and measure results
4. Use A Customer Relationship Management System – Use CRM technology to manage your contacts and prospecting activities
5. Be Where Your Sale Prospects Are – Innovatively connect face-to-face
6. Prospect Through Referrals – Ask for referrals and testimonials
7. Offer Knowledge They Don’t Have – Deliver a Unique Value Proposition
8. Make Time For Prospecting – Be committed; schedule time for Prospecting
9. Become An Expert – Establish Credibility, Trust and a strong Reputation
10. Make It Easy For Them To Find You – Use internet and social media tools to stay at your prospects’ fingertips
1. Build a Client Profile

- Define your target audience.
- Prospect to people and organizations that want and need your services or products and are a good fit to your company.
- Create your Client Profile List of Prospects from:
  - Referrals – People or Organizations your current clients and contacts have suggested you to.
  - Networks – People or organizations that you have connected with personally at industry events or online via social networking.
  - Website Visitors – Those who have shown interest in your website and left contact information.
  - Purchased Lists – Those in your target industry with the job title or position in charge of procuring your type of service or product. Also look for Key People or decision-makers in those companies.
2. Cross-Pollinate

- Partner with other businesses that focus on comparable target markets, but offer different products and services.
- Build a partnership where you can share customer lists and promote each others’ marketing material on your respective business websites.
- Offer specials for each other’s customers.
- Team up with other businesses to host programs that feature both businesses as the speakers. Accumulate an attendee list and share it with your partner.
3. Use Prospecting Software and other Technologies

- Utilize web-based software sites such as ListGrabber and Leadmesh that will generate a prospecting list for free.
- Go onto your prospects’ website and find the key people or the people who can connect you to the key people.
  - Social and business websites
- Create mail merges to streamline email marketing to your target audience.
- Join social and business media sites
  - Facebook, Twitter, LinkedIn, etc.
- Search your competitors’ followers to find out who is following your competition on social media.
  - Note: Don’t directly solicit these people – build a prospecting list for your business from the data.
4. Use a Customer Relationship Management System

- Customer Relationship Management (CRM) Systems track leads and interactions to manage prospecting activities. There are two (2) ways you can obtain a CRM System:
  - Purchase a CRM
  - Create your own CRM (Requires Advanced Proficiency using Spreadsheets or Databases)
    • Use Excel, Access or Google Docs to manage information
    • Tailor your tables to your needs and include fields like:
      - Demographics – contact name, email, phone number, company name.
      - Source of prospect – identify where the lead originated.
      - Next action code – a number system for the different actions to be taken with a prospect.
      - Next action date – the date at which the next action needs to be taken.
      - Contact log – log all key contacts with the prospect, making note of any significant information that will help close the deal.
      - Lead nurturing stage – indicates what stage the prospect is in the sales cycle. For example: 1 = aware but not interested; 2 = interested; 3 = verbal commitment to buy; 4 = has purchased.
      - Estimated opportunity size – estimate how large the sales opportunity is.
5. Be Where Your Sale Prospects Are

- Attend business conferences, seminars, conventions, or trade associations that your target market frequents.
- Speak at business conferences, seminars, and trade associations that your prospects host.
- Join associations and offer to speak at events. This will get you face time with your target audience.
- Write articles for industry trade magazines.
- Write articles for industry-related websites or social media.
- Innovatively capture prospects that visit your website and trade shows through promotions and interactive marketing.
  - Example – collect business cards and have a drawing for a free product or service. Afterwards add those names to your prospecting list.
6. Prospect through Referrals

- Ask your current customers for referrals – they know others who may need your services.
- Ask for referrals and testimonials after each satisfactory service provided for customers. The best advertisement is word of mouth.
- Start a referral program to attract more customers. Offer them an incentive to compensate them for providing referral contacts.
- Ask current and past customers to provides testimonials about your services on your website or on social media.
  - Do not compensate customers for testimonials – true testimonials cannot be bought.
7. Offer Knowledge They Don’t Have

- Offer value to the prospect – communicate how you can save them time, money, solve a problem, or run their business more efficiently.
- Communicate your Unique Value Proposition honestly and openly.
- If applicable provide a sample of your proficiency as part of your selling proposal. Illustrate and attempt to quantify how the client can benefit from your products or services.
- Offer a free e-Book, e-Newsletter, or White Paper for signing up or registering information on your website.
- Gather Lead Information
  - Create a Lead Form on your website.
  - To have an effective Lead Form, offer free consultations, white papers, or some incentive for prospects to leave their contact information.
8. Make time for Prospecting

- Prospecting and generating new business should be a continuous event, not just when business is slow.
- Schedule time, on a weekly basis, to put on your prospecting hat and work on your prospecting activities. This is a must for your business to grow.
- As the business owner, almost half of your time should be focused on generating new business.
- If you have the financial resources, consider hiring an outside firm to market your company on daily basis.
9. Become an Expert

- Establish your company as an Industry Expert by writing newsletters, blogs, building a strong online profile, or writing articles for industry publications. These are great ways to brand your company and establish trust and a good reputation.
- Be sure any documents produced reflect well on your company – that they reflect a commitment to quality and expertise.
- Consider investing in online services to manage your online presence, handle your E-Marketing and online Public Relations.
- The more visible your business is and the more your business is associated with quality and service, the more your business will be legitimized as an Industry Expert.
10. Make It Easy for Them to Find You

- Make sure that others can find your business easily when they have a need for your product or service.
- Take full advantage of internet and Search Engine Optimization. Think about how your prospects will likely search for you.
- Make sure your website has keywords that direct your prospects to your websites when they are doing searches.
- Use keywords and free tools to target your preferred customers or geographic area.
- Make sure you are one of the first results when prospects search for your services or products.
- Implement a social media marketing campaign on the most relevant social media sites for your industry to drive more traffic to your website.
- Track your results and analyze what methods work best for your company.
Key Takeaways from This Module

- Prospecting drives your bottom line – you need to prospect to grow your business.
- Utilize multiple methods and tools to effectively leverage your prospecting activities.
- Use all available media; telephone, email, text, direct mail, web, and social media to your advantage.
- Be Persistent – Email, Call, Follow-up....until you get results.
Sources and Citations