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Corporate Communique . . .

ROBERT DENNEY Associates, Inc.

Management, Marketing, Strategic Planning

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THE RIGHT WAY TO GENERATE NEW BUSINESS FROM CURRENT CUSTOMERS

We all learned in Business 101, or have read in countless books and articles, that it's more productive to generate new business from current customers than to try to create new business from new customers.

This principle will be more important in 2009 than ever before. However, like so many other things in life, there's a right way and a wrong way to go about it. And you will only be successful if you do it the right way.

One of our long-standing corporate clients uses an advertising agency to create and place all its ads. Several weeks ago the CEO of the company received an expensive brochure from the agency touting all the services it provides including, of course, advertising. The brochure was obviously designed to market the agency to prospects. But our client has been a client of the agency for several years!

What did the CEO do? Although his company could use some of those other services, he threw the brochure out. End of story. And no additional business for the agency from this client.

What should that agency have done? The first step would have been to study the company and identify other specific agency services the company could use to increase its business. Then the Account Executive – or more appropriately, the agency's CEO – should have met with the CEO to obtain feedback on the agency's advertising services and how it could improve them in the future. At this point, the agency CEO would know if he had a happy client. If the client was dissatisfied, he would have learned what the agency needed to do to correct the problems and avoid losing the client.

If the client was delighted with the agency's work and service, the CEO should then have asked the client CEO to discuss how its business is, what strategies its competitors are employing, what new products and markets it's considering and what its "game plan" is for growing, or at least surviving, in the coming year. Then, equipped with knowledge of the company's challenges and plans, he would have been able to discuss other specific agency services and how they could help the company.

This approach is based on how you can help your customers or clients, not on what you want to sell them. It's pretty obvious. And it's not only the right way to generate new business from them, it's the only way.

Note: Discussions of other subjects are posted in the Writing and Corporate Communique sections on our website, www.robertdenney.com.

***May your Holidays be joyful and may the New Year
bring all of us peace, security and happiness.***

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