

THE  TIMES

Contacts are key to door of opportunity

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Published at 12:00AM, July 24 2012

The old boys' network is dead. Long live the new boys and girls' network.

Business organisations, whether a traditional chamber of commerce or a newer enterprise such as Business Network International (BNI) or 4Networking, are all about making contacts with other businesses, usually in the same location, and getting referrals.

Charlie Lawson, UK national director of BNI, says: "People respond to recommendations. If you need a product or service, you can look on the internet or in the Yellow Pages but you are taking an absolute chance with who you contact. If you have a recommendation from someone you know and trust, there is a better chance of getting a good product or service.

"We train our members to be very effective at looking for business for each other. We believe that referrals are the best way to generate business."

BNI charges a joining fee of £110 and annual membership of £435, both plus VAT. There is also a charge for attending breakfasts and lunches, which takes the costs to about £1,000 a year. Lawson says this represents a reasonable investment compared with the high costs of

traditional advertising and employing sales people.

He says a recent survey on Merseyside showed that the value of being in the network was substantial — around £35,000 a year after a few years. “It is a get rich scheme but not a get rich quick scheme. You have to spend time building relationships to get a return on it.”

In spite of the public perception, however, networking does not mean a hard sell. “It is really about building relationships,” Lawson says. “If you can build good relationships, it may not be the person you are talking to but someone in their network who ultimately buys your product or service because you have been recommended to them.”

Brad Burton, founder of 4Networking, calls this process MLKT: meet, like, know, trust.

“When you get trust, that is when the magic starts to happen and people start passing you referrals,” he says.

But Burton also believes that networks are not a cure-all for bad business ideas. “If you are doing well in the real world, you will do well in networking. If you are doing poorly, you are probably bringing a mindset that you are struggling and people start feeling your desperation.”

The British Chambers of Commerce (BCC) has been around for 150 years and its local members run 3,000 events a year, from business start-up courses, meet the buyer events and how to use the latest technology to move your business forward. Membership of a chamber of commerce also gives a business a voice: whether influence at the local town hall or, through the BCC, with central government.

Dr Adam Marshall, director of policy and external affairs at the BCC, says what the chambers offer is access to experience.

“It could be finding out how to export for the first time, hearing someone’s ‘war stories’, or getting information on complex financial issues. Being a small business person is often a lonely experience and a chamber of commerce shows you are not alone.”

As well as networking opportunities, the BCC also offers access to common business services, such as low-cost healthcare provision, fleet services and a 24-hour HR line.

Choosing the right business network is about finding out what feels right. Burton believes it is rather like the political landscape. “You have the loony left, all Chablis and vol au vents; the far right networks that demand ‘Where are your leads?’ And there is the mainstream, where your normal business person goes.”

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