

Networking Groups: Solid Selling Strategy Or A Waste Of Time?

It's pretty widely acknowledged that most successful printing salespeople are accomplished networkers. Does that mean, though, that they owe their success to "structured" networking groups or events, ranging from participation in a BNI chapter to attending a local Chamber of Commerce's "Business After Hours" programs? In my experience, some salespeople accomplish a great deal in these structured networking settings, but for others, it's a complete waste of time.

Why? Half of the answer is simply that some networking groups and events are better than others. The other half is that some salespeople really work their networking groups or events, while others stand around and hope good things will happen. As with everything else in selling, the harder you work—and the smarter you work!—the more likely it is that you'll be successful.

BNI Background

BNI (Business Network International) is probably the best known of the structured networking groups. It was founded in 1985 by Dr. Ivan Misner, a management consultant with a Ph.D. from the University of Southern California. BNI currently has more than 3200 chapters worldwide, all part of a franchise structure. That's an important consideration, BNI is a *product*, with a revenue stream that's meant to enrich individual franchisees as well as the franchisor. There's nothing wrong with that, of course, but just as with the quick printing franchises, there are franchisees who represent the franchise well and others who don't.

BNI's stated mission is "to help people increase their business through a structured, positive, and supportive word of mouth marketing program." It's stated philosophy is that "givers gain." Another part of the BNI equation is that "only one person per professional classification is eligible to join a chapter." In other words, you won't show up to a meeting someday to find another printing salesperson in your group, but you also won't be able to join in the first place if there's already a printing salesperson as a member.

It doesn't cost a whole lot to join a BNI chapter. From my research, an annual fee of around \$240 seems to be typical. It's not hard to project that a few good referrals will provide a solid return on that investment. Unfortunately, it doesn't always happen, but that's usually more the fault of the salesperson than the networking group concept.

Sometimes, though, it is the group that limits a salesperson's success. I read an article by Dr. Misner in *Entrepreneur* magazine which notes that the referral level often doesn't reach a "critical mass" until a group has more than 20 members. I have also heard stories about much larger groups in which just about everyone fit into the "stand around and hope" category. One of my sales coaching clients belongs to what he refers to as a "bunch-a duds" group. Having paid his annual membership fee, he's currently on the waiting list to join one of the other groups in his area (all of which have printing salespeople as members right now.)

Chambers of Commerce

Another common networking venue is the local Chamber of Commerce. Most CC's state their mission in terms of service to the business community, in areas ranging from support of existing businesses to recruiting new business into the area. There's no question, though, that the networking opportunity is the driving force for many members. In fact, I found a "Top 10 Reasons To Join" list at the website of my own local Chamber of Commerce in Cary, NC, and Number 1 on the list was "Make New Business Contacts." Beyond that, four more of the Top 10 were related to using Chamber membership to develop new customers for your own business.

I know quite a few printshop owners who have developed significant amounts of business through their membership in a Chamber. On the other hand, though, I know very few employee/salespeople who can make the same claim. Why? Because buyers and sellers tend to hang out at different ends of the Chamber of Commerce spectrum. The senior people in member businesses might forge both friendships and business relationships while serving on a committee together, or perhaps on the Board of Directors. The typical "Business After Hours" event seems to consist of salespeople socializing with other salespeople. Yes, that can be the first step in effective networking toward the decision-makers, but all too often that isn't happening.

Manage The Process!

Like every other aspect of selling and sales management, your networking will be more effective if there's an underlying plan to support the process. The starting point to that plan should be a set of specific goals for the networking component of your overall marketing plan. For example, as an owner, you might set a goal of gaining 5 new customers over a three-month period from the pool of fellow Chamber—or Rotary or Kiwanis or any other

service/social/networking group—members. The specific action plan might be to invite 10 fellow members to come by for an individual tour of your shop each month during that three-month period. You might phrase the invitation as: “I’d love to have you—and anyone else in your organization who might be interested or would be appropriate—come over and see what we do. I think you’ll find it interesting and educational, and we might even find that there’s a good match between our capabilities and the printing you need in your business.”

I can’t guarantee that everyone will accept your invitation, but for planning purposes, a 50% acceptance rate doesn’t seem unreasonable. If a third of those people become customers—and again, that doesn’t seem unreasonable as a projection—a goal of 5 new customers will have been achieved!

How about managing your salesperson’s networking activities? Again, it should start with a goal, perhaps 5 new customers over a three-month period from leads generated through “Business After Hours” events or a BNI group. In this case, it might require 50 leads to reach the ultimate goal, so you divide the number of leads required by the number of meetings or networking events, and that yields a “lead quota” for each event. “Marie,” you might say, “your assignment for tonight’s Business After Hours is to talk to enough people to get 10 solid sales leads—or better still, 10 referrals. I’ll expect to see a list of those leads tomorrow morning, along with your plan and schedule for getting in touch with each of them.”

Stage 2 of this process might require turning 20 of the leads/referrals into actual appointments, and this gives you something else to measure—and hold your salesperson accountable for! Remember, most of the salespeople in the quick/small commercial segment of the printing industry are *not* all-stars. They need direction and they need accountability—that’s a big part of the definition of *sales management!*

Bottom Line

The bottom line here is that networking groups offer a great deal of opportunity, but it doesn’t just happen. This is not a situation where 90% of success lies in just showing up. The key to successful networking is the “working” part, and the best way to manage the process is a combination of goals and accountability. That’s the difference between hoping good things will happen and making good things happen!