

Principle 38

Business Expansion And Purchasing Customer Lists

Keep your eyes open...

here's why

Throughout, I've made it clear that the most important asset in a business is customers, combined with the closeness of the relationship with them. So, if you get the opportunity to expand your customer base - whereby you can apply all these principles - by the acquisition of someone else's customer base you, then should examine the proposition very, very seriously.

Opportunities for acquiring customer bases are not uncommon. For instance, who do you know in business that is struggling, going out of business or liquidating? Call accountants in your area and ask them to watch out for similar businesses to yours that are folding up or having a tough time.



Because most people don't understand the power of marketing leverage in business, you may be able to negotiate a very low price for the list. Sometimes however, you may have to buy other assets to acquire the customer list, so you need to weigh it all up.

The important thing in such an acquisition is to try to get the previous owner to sign or endorse a letter that goes out to all his or her customers telling them that although they are closing down you and your company are going to continue to care, service and look after them.

One more point, if you can, negotiate to also get their phone numbers, web address and email diverted to your business. You'll receive calls on that line for years to come - sometimes bad as well as good.