



Using SaaS Referral Marketing Technology & Social Media For Customer Acquisition To Grow Your Small Business

WHITE PAPER

DEALSBY.IO

JANUARY 2024

CONTENTS



03

EXECUTIVE SUMMARY

04

THE PROBLEM

05

ISSUE THAT DEMANDS A SOLUTION

06

STATISTICS

07

WHY DOES IT EXIST & WHO IS AFFECTED

08

WHAT HAPPENS IF A SOLUTION IS NOT FOUND?

09

THE HISTORY

10

MORE SMALL BUSINESS STATISTICS

11

THE SOLUTION

12

THE BENEFITS

13

THE CALL TO ACTION - CTA

EXECUTIVE SUMMARY

In 2024, according to the SBA, there are over 33 million small businesses located in the United States. Of those 33 million small businesses, approximately 92% of those businesses regularly rely on customer referrals for new business. So why are there so few cost-effective & above average ROI customer acquisition solutions (other than direct advertising) for the small business community to access as a tool to bring in more customers to their business? There are numerous customer acquisition solutions available but many are expensive, time consuming and require a certain level of expertise by the user to implement & maintain.

Many Small Business owners will often profess that they simply don't know where to turn to find affordable and effective customer acquisition solutions to bring more customers into their business without breaking the bank. Using marketing technology and social media to acquire new customers and retain existing ones is considered a fairly new and highly effective method in today's complex world. However, many small business owners don't have the time, expertise or financial resources to implement & maintain technology-based customer referral systems although many desire to have one for their business.





THE PROBLEM

Instead of calling Customer Acquisition "The Problem" for Small Business Owners we are going to look at it as "The Opportunity". This White Paper is going to address, specifically, the issue (the #2 pain point for small businesses) that affects so many of today's small businesses when it comes to bringing in more customers; how small business owners can use customer referrals, technology and social media to grow their business.

When it comes to an assessment of asking for customer referrals, business owners often fail to do the following things:

1. Ask for the referral (referrals are not guaranteed, they have to be earned instead of expected)
2. Follow Up on the referral request
3. Offer some form of a tangible reward to their customers for their referrals such as a discount or giveaway to show their appreciation



ISSUE THAT DEMANDS A SOLUTION

Any Small Business Owner would agree that customers are the lifeline of their business. If you don't have enough customers coming through your doors or patronizing your business on a regular basis, your doors aren't going to be open for very long. Customer acquisition is considered a "must-solve" problem for small business owners and demands a reliable and cost-effective solution. Business owners often experiment with just about all advertising solutions available to them when it comes to getting their intended customer's attention.

If you are a Small Business owner and reading this white paper, you are probably thinking about the customer acquisition methods & tools you have used in the past and what ROI you achieved with each method you used for your business. The goal of finding the right customer acquisition tool is to reduce your customer acquisition cost, improve your customer's lifetime value and to improve your company's profitability.

Traditional "Word of Mouth" advertising has always been powerful and cost effective; but imagine adding your customer's using their mobile devices to share the word about your business via SMS, Email & Social Media. True viral customer messaging is the result.

33 MM

Number of Small Business in the United States

92%

Of Small Businesses regularly rely on Customer Referrals for new business

95%

of the online population regularly use social websites or apps to communicate with family & friends - Source: GlobalWebIndex.com

WHY DOES IT EXIST?

When it comes to customer acquisition and growing your business, small business owners should not automatically expect their current customers to just refer others to their business. A customer's referral should not be expected but be earned. Providing a great customer experience is the foundation for repeat business and will be the real catalyst for referrals to happen for the business owner. When a customer does not have a great customer experience they often will not feel compelled to tell others. If a lackluster experience persists, then the customer will often complain to others & begin to search for alternative businesses/companies unless you are in a monopoly or very specialized business. If you are providing a great experience to your customers but aren't asking for a referral, if you feel you have earned it, then your customer acquisition will not improve.

WHO IS AFFECTED?

When a business does not provide an excellent customer experience on every customer visit or purchase, it affects everyone. There are typically numerous other companies that provide the same or very similar products or services and unsatisfied customers tend to seek out those other businesses if they are not receiving what they expect and desire from your business. A customer wants to be "Wow'd" each and every time they spend their money with you. If your customers slowly stop spending, purchase less (per transaction or over time) or stop patronizing your business altogether, your business will obviously not survive. A customer's sales cycle typically is lengthened, their average purchase amount decreases and their overall Customer Lifetime Value is diminished when an excellent customer experience is not provided on a consistent basis.



WHAT HAPPENS IF A SOLUTION IS NOT FOUND?

Oftentimes business owners will try to create their own customer acquisition solutions or alternate between available solutions in order to identify a method that has the highest ROI. Profound innovations in customer acquisition solutions have been minimal at best over the years. Not finding a viable customer acquisition solution can lead to subpar or even negative growth for your business and will often cost the business more money in the long run due to using suboptimal tools. The key issues are that existing customer acquisition solutions can be expensive, have high maintenance requirements and often require a certain level of expertise in implementation and maintenance. To date, every customer acquisition solution such as a customer referral program is an add-on software solution to the customers existing business website, if they have one.

According to the SBA, statistics show that only 64% of small business owners have a website and many of those sites are rarely used and outdated. This should not be a shocking statistic since there are so many owners that don't know where to start and for many, it's still too hard or too expensive for them. So what is needed is a centralized customer acquisition and customer referral platform that is easy to use, intuitive and affordable for businesses of all types to be able to offer a customer referral program for their customers that is easy to access and is rewarding.



The History

Traditional customer acquisition tools and methods include:

- Newspaper
- Magazine
- Radio
- Television
- Directories
- Outdoor and transit. ...
- Direct mail, catalogues and leaflets
- Online

Although not mentioned in the aforementioned list, customer referrals have been around as long as business itself. According to Wikipedia Referral marketing is a word-of-mouth initiative designed by a company to incentivize existing customers to introduce their family, friends and contacts to become new customers. Different to pure word-of-mouth strategies which are primarily customer directed with the company unable to track, influence and measure message content; referral marketing encourages and rewards the referrer for allowing a company to do so.

Referral marketing is a commonly used tool by various businesses and corporations across a wide variety of different industries to grow and build customer bases. In the past, referral marketing was purely focused on spreading information through verbal interaction with a close network.

Modern-day referral marketing now heavily relies on social media and the internet, allowing the scope of referrals to increase dramatically by reaching a far broader audience. Why the last statement is so important is as society & technology continue to rapidly evolve and grow, more effective and efficient marketing tools MUST be introduced to make marketing your business to ever savvy consumers even more important. Allowing customers to be able to use their mobile devices to be able to interact with your business is absolutely vital to customer growth and the customer experience. The mom and pop store of years ago is slowly going away to more sophisticated businesses with technology being a central driver of creating customer awareness and measuring customer satisfaction.

Eighty (80%) of people research a business online before making a purchase or even going to the store. Without one, all these potential customers will be lost. Moreover, businesses with websites appear more credible – which is a big deal when people are deciding where to spend their money. It's also a no-nonsense way of advertising for any SMB. Besides, a website allows you to sell online 24/7. What's not to like?

MORE IMPORTANT SMALL BUSINESS STATISTICS

Here are some statistics pertaining to how customer referrals can affect the profitability of a business:

- Ninety-two percent (92%) of consumers trust referrals from people they know.
- Friends' social media posts influence the purchase decisions of 83% of US online shoppers.
- Consumers referred by a family member or friend are 4X four times more likely to buy
- When referred by another customer, new customers have a 37% higher retention rate for the business.
- B2B companies with referrals experience a 70% higher conversion rate.
- Referred customers' lifetime value (LTV) is 18% higher than that of non-referred customers.
- Referral leads have a 30% higher conversion rate than leads from any other channel.
- On average, it costs 7 times more for a business to acquire a new customer (without a referral) than it does to do business with an existing customer.

Here are some statistics referenced from [Review42.com](https://www.review42.com)

- Less than 64% of small businesses have a website.
- 70-80% of people research a company online before visiting it or making a purchase.
- 58% of small businesses without websites plan to create one in 2019.
- 94% of small business websites are mobile-friendly.
- Only 17% of small businesses invest in SEO.
- 43% of small business owners' strategy for improving revenue growth is improving customer experience and retention.
- 70-80% of potential customers could be lost to businesses without a website.

THE SOLUTION



So what's the solution to improving your customer acquisition efforts? What tools have you used in the past that have created the highest ROI, lowered your customer acquisition costs, increased your customer lifetime value and improved your business' profitability? What investments in time, cost and solution maintenance are you willing to make to take your business to the next level? Providing your customers an easy to use, intuitive and rewarding mobile application/tool to communicate with others when they feel your business is worth promoting to others? The purpose of this white paper is to discuss why effective customer acquisition strategies are so important, their overall effects on your business when done correctly or incorrectly and how do we discover & implement new customer acquisition technologies to help grow your business.

At its core, traditional word of mouth advertising has always been the most effective and cost-effective way to bring new customers into your business. But, as time has evolved, the ever busy and changing mentality of consumers doesn't take the time or effort to promote their favorite businesses to their family and friends. According to GlobalWebIndex.com Ninety-five (95%) of the online population regularly use social websites or apps to communicate with family & friends. So it only makes sense with today's easily available technology to provide an easy to use and intuitive mobile app to your customers that allows them to quickly and easily tell others about your business and also reward them and their referral.

Dealsby is SaaS B2B Referral Marketing Technology Platform for Small Business. By integrating proprietary algorithm-based referral code sharing technology & communications platforms such as SMS, Email & popular social media channels such as Facebook & Twitter. Dealsby will help our small business subscribers generate brand awareness, create higher levels of brand exposure and increase their customer acquisition opportunities. Consumers are more likely to interact with a business if there is an easy to use and intuitive solution made available to them.

THE BENEFITS OF DEALSBY

Small Businesses:

- Saves the user, significantly, on customer acquisition time, costs & frustration (frictionless customer referral SaaS software solution) - No expertise is needed install, run and maintain Dealsby (Its all efficiently run in the Cloud!).
- Marketing Automation - Dealsby sends automated cloud message reminders to your customers reminding them to refer family and friends and also sends alerts to customers when your business launches new referral campaigns.
- A Centralized SaaS Platform for the Small Business Community. Consumers can find numerous business industries all in one place. E.g. Electricians, Plumbers & Handyman Services. Ancillary industries so your customers have a centralized small business search solution.
- Saves money vs. expensive sales leads with low ROI results
- Social Media integrated with the Top 5 sharing platforms so there are high levels of virality
- Dealsby is easy to use, intuitive and new referral campaigns can be launched in less than 2 minutes
- Your customer referrals are exclusive - not competing with other businesses like traditional sales leads
- Instant cloud and app-based notifications of new referrals

Consumers:

- Saves Business Search/Research Time searching for reputable local businesses
- Centralized Platform for finding multiple small business categories. One solution for multiple needs.
- One(1) Click easy sharing of business referrals
- Instant Discount Savings when sharing referrals
- Free Solution, forever, for Consumers
- Saves Consumers \$\$ (increased purchasing power from referral reward savings)
- Social Media Integrated (viral effect) - Top 5 Sharing Platforms are available on Dealsby
- Frictionless, easy to use & intuitive business search and referral reward solution
- Potential anxiety and frustration reduction from finding reputable business (referrals come from trusted sources)

Your Call to Action!



So if you are a small business owner, what questions are you asking yourself when it comes to customer acquisition for your own business? What customer acquisition tools have worked and failed to bring in new customers to your business in the past? If you could provide a centralized, app-based, tool for your customers that was free to them to join, required no maintenance on your behalf, and provided you instant updates on new referrals and was rewarding to your customers would you implement that tool for your business today? If your customers could utilize their frequently used social media accounts to share referrals of your company how would that affect your business? If consistent growth for your business is a KPI and having an easy to use and intuitive tool that does not require a business website to implement but could provide alerts to you and your customers of new referrals would you use it?

Dealsby was created, specifically, to provide a powerful proprietary algorithm-based Customer Referral Marketing & Customer Engagement Technology Platform designed specifically for the Small Business Community and its customers. Your customers can quickly and easily refer your business, using their mobile devices, but also businesses from other ancillary industries all in one centralized and frictionless platform.

Dealsby provides a new and innovative & viral way to bring new customers into your business faster and more efficiently by providing a powerful search and app-based referral marketing tool. Imagine setting up a rewarding referral campaign and launching it all in about 3 minutes time!

If customer acquisition is a pain point for your small business, go to Dealsby.io today, and sign up for your free 14 Day Trial and see how Dealsby can truly help grow your business while truly increasing your customer loyalty while also reducing your customer acquisition costs.

Dealsby brings together Small Businesses with the Communities in which they serve.

@Dealsby.io