



Finding New Customers

Try a new and different way to replenish your customer base.

It's a confusing time out there right now. The market can't quite make up its mind as to which way it is going. The Fed is on the fence, putting everyone on edge. There are a lot of unknowns — and businesses don't deal well with unknowns — instead, they wait. Good, bad or indifferent, they wait until the situation becomes clear — at which point they can act. Translation: They slow down projects, they slow down capital spending, they mull, they equivocate, they stall. The housing market is in trouble, which will hit other industries harder than PVF, but there will be more than a small ripple effect. Volatile markets or not, people are still driving SUVs and will want to heat their homes this winter, so the oil and gas business is continuing on the upward trend. After the catastrophic bridge failure in Minnesota, every state in the union will be dedicating more money than originally planned to infrastructure projects, so there are some bright spots on the horizon.

All companies fear volatility and the possibility of a severe market downturn. Yet it is during these periods (and not the boom times) when the best companies show something better than simple survival skills. Downturns winnow out the bad and mediocre, thus leaving fewer companies standing in good stead to carve up the market when things get good again.

I have touted selling more to existing customers and to “good” customers rather than acquiring new customers willy-nilly. Yet, even with a great group of loyal customers — customers who appreciate your service and expertise and are willing to pay for it — you always need to be on the lookout for new customers. Your existing base is never stable. Companies get acquired, change their business focus, go out of business, close up shop and retire, go over to a competitor, etc. Your base is always eroding, slowly but surely. And it is of critical importance that you are constantly replenishing your base to make up for the companies that drop off the radar.

To be sure, you don't want to replace them with just any old customer. You want reliable, growing businesses that purchase higher margin products on a regular basis.

So, where do you find these customers? You've done

sales training, you've built a beautiful Web site, you go to the various trade shows, you advertise — what more can you do? These are all necessary sales tools, yet in many ways you aren't really reaching out to totally new customers. You are repeating your past sales efforts and not creating any new pathways to new customers. Think of the oil and gas guys — they don't go back to the same place where they struck oil five years ago and drill again (and again and again). They spend a lot of time and money searching out new sites to drill.

Let's talk about a new and different way to seek new and different customers.

Here it is: eBay. Don't laugh! eBay is no longer the funky Web site where gadget-crazy guys and clothes-crazy girls clean out their closets every now and again so they can justify shopping again. Companies are sold on eBay. Multi-million-dollar pieces of real estate are sold on eBay and, you guessed it, PVF is sold on eBay. eBay is another way to have a “presence” in the market. When selling an item on eBay, you will be selling to someone you have never sold to before, someone you have never even heard of, someone who probably hasn't heard of your company either.

The point of selling on eBay is much more than the sale. As soon as someone visits your auction (perhaps you have way too many flanges of a certain dimension and you figure eBay is as good a way as any to sell them), they are introduced to your company. In my brief study of MRO and PVF auctions on eBay, every last seller said, “Please visit our Web site and see what other products we offer.” And sure enough, I did. I ran into warehouses, distributors, overstock and surplus companies, and construction guys, all selling PVF materials. When I visited their sites, I quickly saw that they offered far more than the valves being auctioned on eBay.

I decided to spend about two minutes on eBay and here's what I turned up.

First, I looked for “valves” and typed “NIBCO” and “Apollo.” There were 19 NIBCO Valve auctions and 20 Apollo Valve auctions going on that day. I picked a 3-inch NIBCO ball valve. It had three bids; the highest was \$17.49. The Apollo valve was a 2-inch NPT stainless steel ball valve with one bid for \$49.99. Gee, I

thought, this is way easy.

Next, I moved on to “flanges.” Sure enough, in no time I was looking at a handsome photo of an SO 150# black FF A-105 22-inch flange. There were two available and I could snap one of these babies up for a mere \$150.

By now the two minutes I had allotted myself were up — but I figured, let’s blow another minute and try “pipe sleeves.” Score!! A few more keystrokes and now I was admiring a whole stack (17 to be precise) of pipe sleeves — 8IN black, 10IN SCH 120 X 3IN LG A-53 GR-B SMLS 4. These were selling for \$20 a pop by a Marine Surplus company in Mobile, AL. This seller had an eBay store set up. So, as I was invited to visit, I did. They certainly had a whole bunch of (PVF and otherwise marine-related) stuff for sale for this week’s auction. I am guessing they replenish their offerings every day as the materials get auctioned off. Certainly this

is a company I never would have found otherwise, and now I know if I ever want a surplus propeller, these are the guys to call.

eBay is not the place to auction your entire inventory. The unusual and the obscure are your best bets — the stuff not everybody carries, the stuff someone would devote some Web-searching time to find. You don’t really want to sell your fast-moving items on eBay as they will sell by the ones and twos. Your warehouse guys will be so busy packing and shipping boxes they won’t have time for much else.

Think of eBay as a way to reach out to new and different customers. Customers who have a “good” eBay experience with your company may buy directly from you the next time. And don’t think it is just little flaky companies that shop for materials. Large corporations shop eBay regularly to find new sources for products that they would not have otherwise found.

eBay is an extremely inexpensive way to promote your company and products to a very select group — people who type in words like “PVF” or “steel flanges” or “pipe fittings” in the search box. <<

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