

# Networking can juice up your company

JOE O'SHAUGHNESSY

Face-to-face contact combined with a smart social media strategy can give firms an edge, writes Sandra O'Connell

**G**ood networks helped provide a boost for Daithi O'Connor's business, Galway Natural Health Company. O'Connor, a former banker, set up the company in 2011, selling an energy-boosting health supplement called Revive Active and omega-3 capsules called Revive Active Krill Oil.

"It was a hard time to start a business, not least because of the difficulty getting credit," he said.

The company now has an annual turnover of €2m, employs 11 people and sells around the world. About 30% of its sales are made online and the rest through 600 retail outlets including pharmacies and health food stores here and in the UK.

Online networks such as Facebook and Twitter have played a part in pushing sales. "Our customers are our biggest advocates and that's why we are so active on social media," said O'Connor, who is now planning a US launch. "Facebook doesn't lie – people can come in and post comments about your product, good or bad, and their friends will see that. At the moment we're receiving 1,000 new likes a month."

Building a community of advocates both online and offline has helped the company raise finance too. "In 2013 we were adding retailers so fast that we were afraid we would run out of stock," added O'Connor.

The company raised €30,000 through Linked Finance, a peer-to-peer lending site, attracting 200 investors. "That's 200 people out there with a vested interest in our business, telling their friends about the products and encouraging them to try them for themselves," he said.

Supermac's boss and serial entrepreneur Pat McDonagh is an investor and non-executive director of the company, while Linda Barker, former presenter of the BBC show *Changing Rooms*, became a brand ambassador after a British customer recommended the product to her.

For O'Connor, this demonstrates the power of building and maintaining social networks, on- and offline. "Work on them because you never know where they might lead," he said.

Marketing consultant and Enterprise Ireland mentor Aisling Foley teaches companies how to build and leverage online. "Most of my work is with tech start-ups and those guys 'get' it, but very often those in more long-established SMEs have a fear of online networking," said Foley.

In cases where business owners do take the plunge, they often get it wrong, she said. They use social networks to talk about themselves. "In fact, 80% of what you tweet or blog about should be material of interest or benefit to your customer."



O'Connor is a fan of the power of building and maintaining social networks, both online and offline. 'Work on them because you never know where they might lead,' he says

If you decide to engage in online networking, then commit to it, said Foley. "If you're not going to continue with a blog or a Twitter account, don't start," she added. "It's not quite that it will do you more harm than good to start and then stop it, but it's not far off in the current environment. People might just assume you've gone under."

Foley believes blogging is the best way to build networks, yet she recommends that business owners blog no more than once every three or four weeks. A good, well-linked and jargon-free blog can quadruple hits on a website on the day it comes out.

For consumer-facing businesses, Facebook encourages interaction with the customers, and between the customers themselves. For B2B companies, however, LinkedIn is the top online social networking tool, according to Foley.

She urges business owners to be

selective. "Only connect with people you know, either that you have met or spoken to on the phone," she said. "Don't connect with people you don't know. When you do connect, say why that person might want to connect with you. Don't just press the button – put a note in saying 'Let's connect, I can help you with x.'"

LinkedIn groups, a platform for special interest groups, in particular, facilitate networking. "People use them and read them and so, if you have a blog and you post a link to it in a group, then people are more likely to come to you."

Twitter overarches both consumer-facing and B2B online networks, said Foley. "Remember, it's all about community," she added. "So, while you are posting links to your blog, make sure to refer to other people's as well."

Networking isn't just to grow a cohort of contacts or "B2B channels" such as

LinkedIn, it's about the quality of the contacts, not the quantity, she added.

Virtual networking should really support traditional face-to-face events and organisations, such as a local chamber of commerce, not replace them. "It is far easier to network from behind a computer screen, but you really do need actually to talk to people too," said Foley.

As well as local chambers of commerce,

physical networking events are run by the Small Firms Association and Isme, an Irish lobby group for small and medium-sized businesses. Local enterprise offices also run events for clients, while organisations such as Business Network International use "chapters", small networks of invited businesses, to generate referrals for one another.

Padraig Leahy, the principal of PLAS

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Consulting Engineers, set up B2B Networking in Cork in 2009 with two other small business owners. It now has more than 30 members, each representing one trade or profession. The aim is to build a network of relationships.

"We look out for one another, acting almost as one another's sales people, looking for opportunities for them, but it's also about building trust so that we can refer them in confidence," said Leahy.

Membership has generated revenues for PLAS, yet the support element of the network is also welcome. There are members with financial and marketing backgrounds.

"Given that many of us are one-man operations, you might not otherwise have ready access to that kind of expertise," said Leahy, who has helped business owners in other parts of the country to set up similar networks.

Networking is a key activity for Michelle Johnson, deputy managing director of ASA Marketing, a Cork-based family business that specialises in promotional merchandise. As well as attending weekly B2B Networking sessions, she attends networking events at her chamber of commerce and is also a member of Network Ireland, aimed at a women in business.

She has found patience to be a virtue, as business is not won overnight. "You have to look at it as an opportunity to meet people and to build relationships over time," she said.

For Johnson, it pays to be methodical about how you integrate on- and offline contacts. "Once I meet someone at an event, I then back that relationship up online," she said.

Social media is a secondary networking tool, not a primary one, said Johnson. "I won't accept a LinkedIn invitation if I haven't met the person," she said. "I'm very selective because people check out who is in your network. Your network really is a reflection on you."

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