

Referral schemes are too complicated and time-consuming for small businesses: Easynet Connect Report

- 38% of SMEs would not establish a formal commission arrangement with those they recommend due to a lack of time, or the schemes themselves being too complicated to set up
- 28% of small businesses accept not earning commission because they consider recommendations as a natural part of business, while 17% have not established referral schemes because they consider them too complicated to set up.

London, 17 September 2009 – Overly-complicated referral schemes and a lack of time are some of the key reasons why SMEs fail to establish or participate in formal referral schemes, according to a report published today. This is despite SMEs recommending the equivalent of £270,000 of business every year without earning a penny in commission.

These are the findings of a new report published today from Easynet Connect, the leading business internet and colocation provider for SMEs which recently launched its own sales agent referral scheme. With primary research undertaken by OpinionMatters, "[*Credit where it's due - cashing in on the referral economy*](#)," investigates the value of, and barriers to, referral schemes in the SME market.

Despite SMEs giving away close to £22,500 of business per month (equating to £270,000 per year), 38% of businesses would not establish a formal commission arrangement with those they recommend due to a lack of time, or the schemes themselves being too complicated to set up. 28% of SMEs accept they will not earn commission, because they consider recommendations and networking are a natural part of business, while 17% of companies have not established referral schemes because they consider them too complicated to set up.

The report comes just months after Easynet Connect launched its own Sales Agent Referral scheme in June this year. The new scheme was designed to offer more opportunities for a wider range of partners to earn commission from selling Easynet Connect's internet connectivity and colocation services. Today's report highlights the significant revenue opportunities available to small businesses that sign up to referral schemes.

Key Facts/Highlights

- Despite recommending business worth £22,500 per month, 38% of SMEs would not establish a formal commission arrangement with those they recommend due to a lack of time, or the schemes themselves being too complicated to set up
- Nearly one fifth (18%) of SMEs do not recommend the business of others, even when they consider it to be good, because there is no commission or referral scheme in place
- 25% of SMEs do not recommend the service of others, even when they consider it to be good, because they could potentially be a competitor of theirs

Supporting Quotes

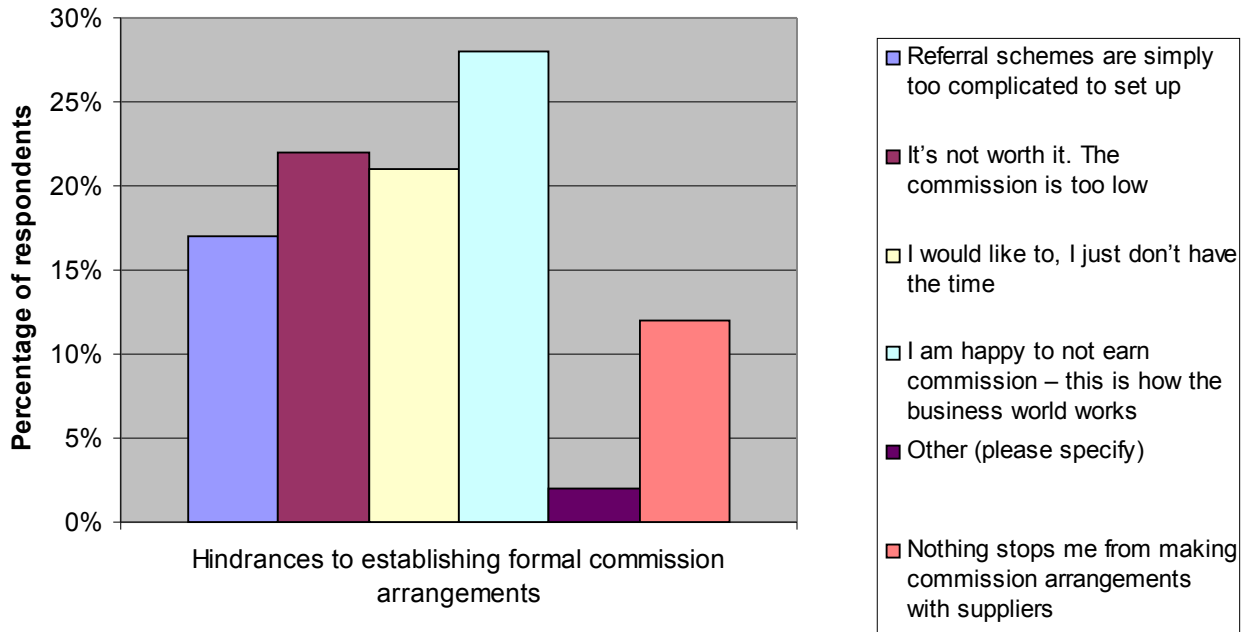
- Chris Stening, MD, Easynet Connect: "This research highlights the difficulties faced by many small businesses when trying to formalise commission structures with those businesses they regularly recommend and network with. While some issues – such as a lack of time – are hard to fix, others are more straightforward. This is a clear call-to-action for all businesses who serve SMEs to simplify their referral schemes and ensure the commission they earn is reflective of the effort involved. If they do, they could soon reap the rewards as more business is sent their way."
- Chris Stening, MD, Easynet Connect: "We saw the 'referral' economy as a natural development of the personal recommendations that businesses make every day. At Easynet Connect we rely on good recommendations from customers and partners and, following their feedback, we launched our [Sales Agent Referral Scheme](#) to ensure that those businesses that recommend us were rewarded for doing so, and that the process itself was as simple as possible for them."
- Alex Viall at [Prosyn](#), who has just signed up to Easynet Connect's Sales Agent scheme says: "Giving recommendations on trusted suppliers is a natural part of my work as an IT advisor. The Easynet Connect sales agent scheme offers an extra bonus for making these referrals, encouraging the process to run more efficiently and often resulting in more business networking, which is never a bad thing. It's a straightforward payment system that links referrals made to new contracts signed, and Easynet Connect keeps me up to date with the status of referrals I make, leaving me to get on with taking care of my clients."

Supporting Materials

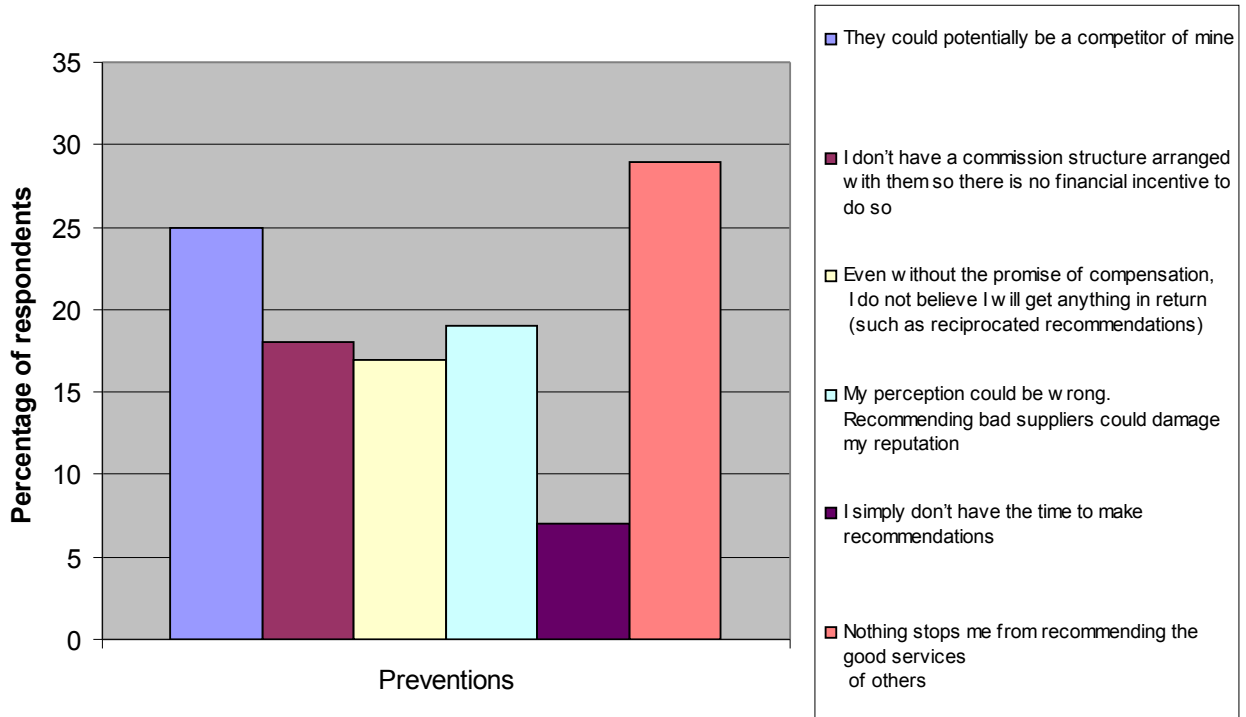
- Download "*Credit Where it's Due - cashing in on the referral economy*," here: <http://www.easynetconnect.net/Industry-Insight/Whitepapers-and-Reports/Credit-Where-Its-Due-Report---Easynet-Connect.aspx>

- About the research: OpinionMatters interviewed 275 IT decision-makers, split equally among company size (ranging from SMEs of 1-4 employees up to enterprises of 250+ employees). 32 IT consultants were also surveyed as part of the sample. The research was conducted and compiled in September 2009.

What stops you from establishing commission arrangements with the suppliers you recommend?



What prevents you from recommending the service of another supplier, even when you believe their service to be good?



Relevant Links

- [Easynet Connect Sales Agent Referral Scheme](#)

Tags

- SME, internet, broadband, easynet, easynet connect, referrals, commission, research, report, channel

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About [Easynet Connect](#)

[Easynet Connect](#) is a leading provider of quality connectivity and internet access for small to medium size businesses.

Established in 1994 and part of BskyB Group, Easynet Connect has the second largest network in

the UK with 6030km of fibre and last mile access to more than 70% of UK businesses via a network of more than 1,200 unbundled exchanges.

Easynet Connect was the first provider in the UK to provide DSL services over an unbundled local loop and has pioneered managed LLU services for business. The services range from business class ADSL and SDSL through to high-quality, leased line equivalent and Ethernet based services. Our SDSL coverage is currently the most extensive in the UK.

For more information visit www.easynetconnect.net or call 0800 053 1777.

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