

## Small businesses missing out on 'referral' economy: Upcoming Report

- SMEs recommend equivalent of £270,000 of business every year without earning a penny in commission
- Upcoming report from Easynet Connect investigates the value of the SME referral market

**London, 9 September 2009** – The 'referral' economy is alive and well, but small businesses are missing out. A report, due to be published later this month, has found that 81% of SMEs regularly refer business to others but fail to earn a penny in commission in return.

On average, the research found that SMEs refer on business three times every month, with the average value of the referral being £7,500. This equates to £270,000 of referred business every year being passed on – with SMEs failing to receive any reward in return.

Chris Stening, MD, Easynet Connect said: "With SMEs making an average of three recommendations each month, the 'referral' economy is clearly important and businesses are recognising the networking opportunities it offers. But SMEs often don't appear to be compensated financially for the vital contribution they make.

"Money should never be the sole reason for recommending the services of others, and the intangible value that referring a business can bring to a company's own reputation and contacts is considerable. However if moderate incentives actually encourage more businesses to take the time to refer the good services they enjoy, then the whole of the business world will run more efficiently. Good suppliers will be rewarded with more sales, and those that sing their praises will get a return on their networking as well build their own profile."

These are the preliminary findings of an upcoming report from Easynet Connect, the leading [business internet](#) and [colocation provider](#) for SMEs. With primary research undertaken by OpinionMatters, "*Credit where it's due - cashing in on the 'referral' economy*," investigates the so-called 'referral' economy, and will offer insight into the value of, and barriers to, referral schemes in the SME market.

The report was commissioned by Easynet Connect to support its own strategy for rewarding businesses that recommend its services. Stening concludes: “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.”

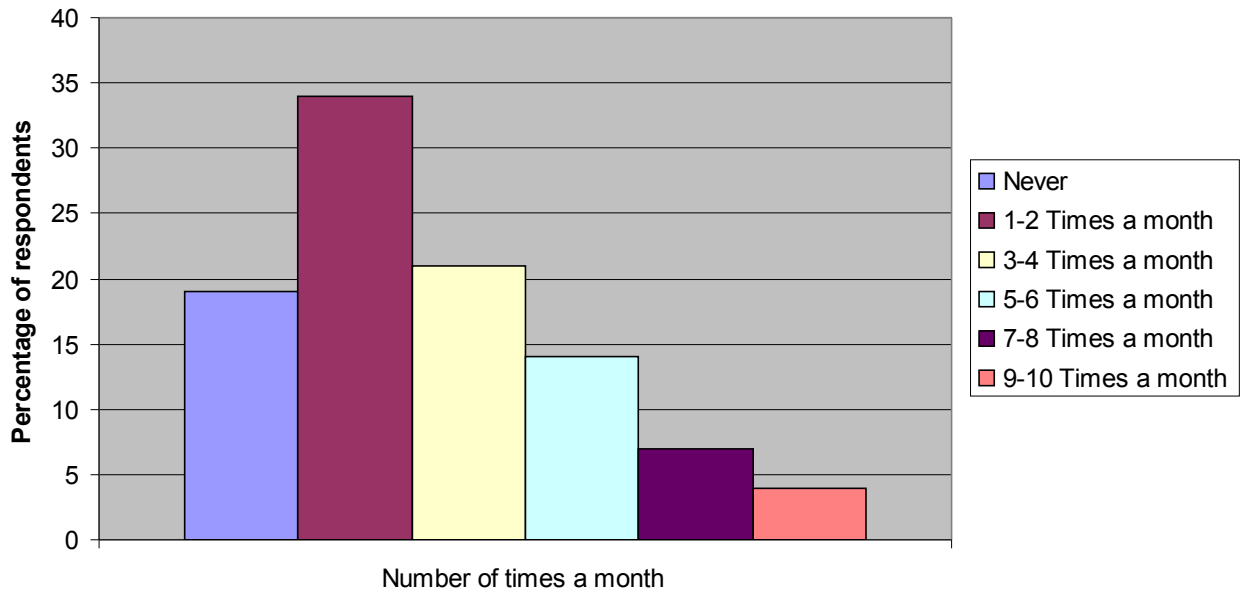
### **Key Facts/Highlights**

- 81% of SMEs regularly recommend the business services of others, without receiving any commission in return
- SMEs are missing out on referral income by recommending the equivalent of £7,500 of business with each referral yet not earning a penny in commission
- SMEs make an average of three recommendations per month this equates to £22,500 worth of business or £270,000 per year
- Smaller businesses, particularly those with 1-4 employees, are least likely to recommend the services of others; with 42% never making recommendations and 44% only making 1-2 a month

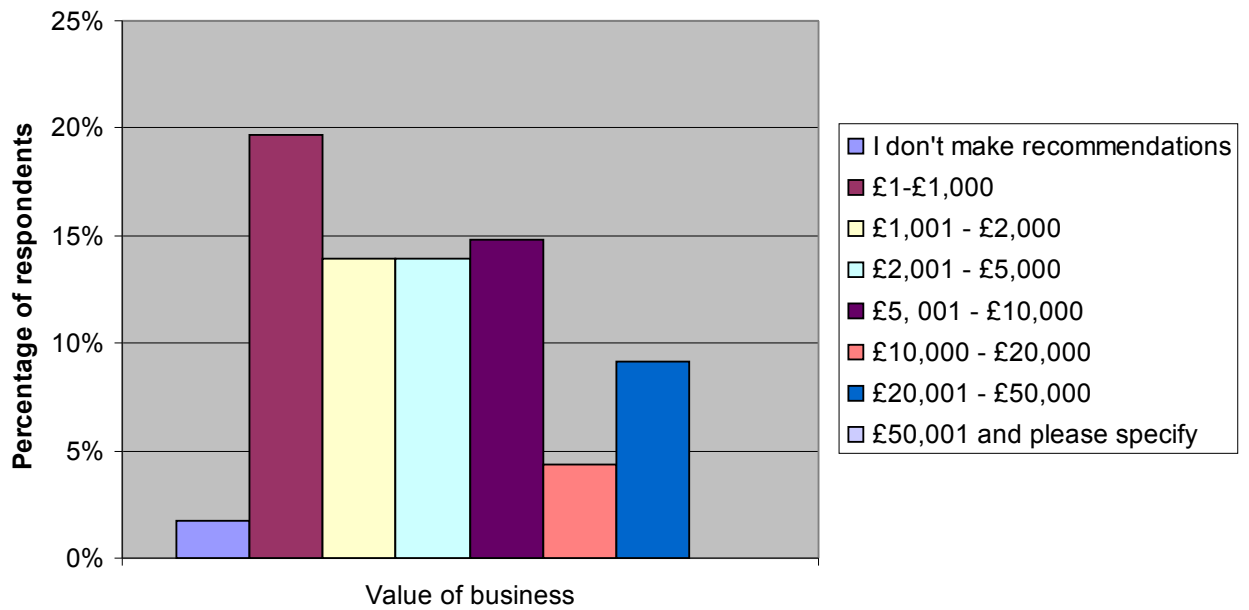
### **Supporting Materials**

- *“Credit where it’s due - cashing in on the ‘prefer-to-refer’ economy,”* will be available for download from Easynet Connect’s [website](#), Monday 14 September
- 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.
- The following charts refer to SMEs:

**Approximately how many times in a month do you recommend the business of other suppliers without earning a fee / commission for the referral?**



**When you make recommendations, approximately what value in total do you expect this business to be worth to these other suppliers?**



## Relevant Links

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

## Tags

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

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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](http://www.easynetconnect.net) or call 0800 053 1777.

Media enquiries contact Linda Harris, [linda.harris@uk.easynet.net](mailto:linda.harris@uk.easynet.net) 020 7032 4031 or George Wright or Joseph Thomas, [easynetconnect@brands2life.com](mailto:easynetconnect@brands2life.com) on 0207 592 1200.