



Matchpoint at 50

How a housewife from the Stuttgart area fulfilled her dream of a lifetime with referral marketing

By Jutta Christoph

Gabi Steiner likes to portray herself as a housewife from the Stuttgart area. That ´s not quite the truth. The 56-year old is also a successful business woman who established her own referral marketing business in health and beauty products that within eight years enabled her to make a good living. Since 2005 she has a house with a sea view in Santa Ponça where she spends several weeks a year. The keen tennis player tells her personal story at the Santa Ponça Country Club – her second home on Majorca.

“Twelve years ago I learned about referral marketing. At that time I had just met Manfred, my current life partner. Before I had been a single mother for eight years and in those days I was often fearful of what the future might bring.” From the very beginning of their relationship Manfred and Gabi had a clear vision that they did not want to work until 65 and only have a few years left to enjoy with each other. With referral marketing they saw their chance to establish their own business that could provide a good living without a big investment and with very little risk. Their goal was: to be free to stop working at the age of 50.

Gabi Steiner began to work with Life Plus, a British company that produces nutritional supplements and anti-aging products: “I did not have to sell anything anymore, all I had to do was recommend something”. To her advantage she had been involved in health products before, as for many years she had been working as a self-employed intermediary for health products, which she sold on commission. After eight years of intensive referral business she was able to retire whilst living a good life from the monthly commissions without having to sponsor new customers anymore.

Referral marketing is a form of direct marketing, whereby a company sells their products or services directly to the consumer without any go-between or retailer. The savings that the manufacturer makes by not having to pay wholesalers, intermediaries and advertising are passed on to the customers when they recommend new customers. The new customer purchases the products directly from the company and if the business interests them, they can now find new customers themselves.

“This kind of business is often incorrectly labelled as a pyramid scheme”, says Gabi Steiner, who acknowledges that this form of business can be misinterpreted. The Austrian Chamber of Commerce and Industry released a flyer that describes the difference between pyramid schemes and referral marketing.

The Swabian housewife welcomes this kind of information about a business concept which is still in its infancy in Europe. “It is very simple to explain the difference”, says Gabi Steiner, “a pyramid scheme can always be recognized, because it breaks down, as soon as there is nothing coming from the bottom. The German pension system is a typical example”. 80% of her customers are just consumers, only 20% buy the products and recommend them to others, she says. Translated into 11 languages, her book “From person to person” explains how she establishes new contacts. It is her open nature and her interest in people, which she attributes to her success, but especially the products, which she is 100% convinced by.

"For example the Forever-Young product that Lifeplus produces consists of a combination of marine extracts and hyaluronic acid for oral use. "Two years ago I had the idea to begin a contest among my partners with before and after photos in order to test the effectiveness of the product. Almost 600 participants sent their photo and began to use the beauty tablets every day. Every two months they sent updated photos, which are displayed on my website. The results were so flabbergasting that from then on I was absolutely convinced that we had a wonderful beauty product to offer."

"Since I won over a British tennis partner to the business of referral marketing my German microcosm has broadened considerably", she says. Now she is giving seminars and lectures in English which is quite a challenge for her. However she doesn't mind making a fool of herself since the most important thing is to build a personal relationship with someone and that works only partly through words. "You have to show real interest in the person you are talking to and you should listen to that person" says Gabi Steiner.

Another advice she gives us about referral marketing is that you have to open yourself up to others – "I mean not only your house, also your heart". In her house on Majorca (see link "Mallorca" on her website) she hosts regular meetings and seminars for both, members, who have just started the business and for those who have already achieved high positions as Life Plus partners. Partners and friends are welcome to stay in her guest villa, which was designed by the Russian architect Pedro Otzoup. "Work & walk" will be the new event on her 2012 agenda in order to hike and work together on Majorca.

Despite a regular additional income, which has turned into her main income of course, nothing much has changed in her life, she says "No more fears about the future, no alarm clock, sports every day and buy whatever I feel like" she raves. Only in tennis she is just as impatient as ever. "I still have a lot to learn".