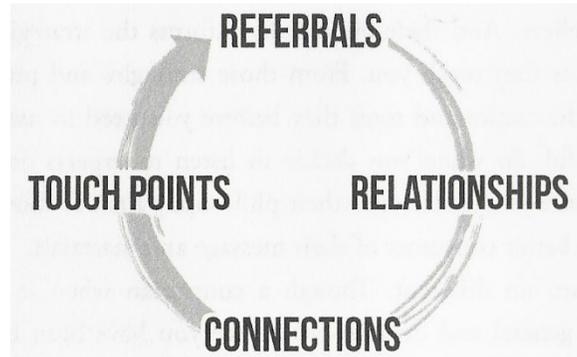


Excerpts From
Generating Business Referrals Without Asking:
A Simple 5 Step Plan to a Referral Explosion
By Stacy Brown Randall

INTRODUCTION

My referral philosophy is:

- Referrals come from relationships
- And relationships come from connections
- And connections are built through ongoing touch points



You need to build relationships and to do that you need to be investing in and connecting with the people you want to receive referrals from.

My philosophy stems from understanding the true definition of a referral. A referral is made by a trusted friend, peer or colleague to connect one person who has a problem or a need to the person who can solve that problem or meet the need.

WHAT A REFERRAL SOURCE REALLY IS AND WHAT IT ISN'T

Referrals are the most powerful source of generating clients for a few reasons. You don't have to go looking for that client; they drop in your lap; they are less price sensitive and value your product or service before you tell them about it; and they are quicker to close because they have "bought you" before meeting you.

How is that possible? Because of the power of trust – the real currency in business – between the person referring you (who I can call the referral source) and the prospective new client, the person who needs your product or service.

According to Nielsen Research 83% of people prefer to make buying decisions based on a recommendation from a friend, family member or someone they trust.

At the Heart of a Referral are Two Key Points

1. The personal connection made between you and the prospect by the referral source, and
2. The prospect's need was identified by the referral source.

A connection made and a need identified... without these two points you don't have a referral.

Key point: To be a referral, the key is for the **trust** the referral source has in you as the solution must be transferred to the prospect.

Where Referrals Come From

Referrals come from two main sources:

1. Your clients and
2. Your centers of influence (COI)

Your COI is a distinct group of people who are not your clients but they know what you do, come in contact with your ideal client and don't do what you do so there is no competitive overlap.

WHY ASKING FOR REFERRALS DOES NOT WORK

When someone gives us a referral it is not about us; it is about helping the client. And when we ask for a referral makes it's all about us. Herein lies the conflict and is why asking doesn't work.

In contrast, when a referral source connects someone they know to you, they do it because the person they know needs help and helping that person allows them to feel good about themselves. And they can only feel good about helping a friend or colleague in need if they believe you are the right person to provide help through your product or service.

Referrals don't come from asking, from manipulating situations or because you think you are owed them.

BEYOND ASKING: FIVE STEPS TO GENERATE REFERRALS

It is important to remember that any referrals I receive wouldn't show up if I didn't provide value, if I didn't do great work, and if I wasn't referable.

But the referrals also wouldn't show up if I didn't take care of my referral sources by showing them the gratitude they deserve, continually strengthened my relationship with them and made a commitment to be meaningful and memorable so I stay top of mind.

There are five basic steps you need to take to create a business that is sustained by referrals.

1. Identify who refers you or should be referring you, i.e., your referral sources.
2. Master an immediate thank you process.
3. Build for the long term, execute in the short term.
4. Plant the right referral seeds.
5. Automate the plan and measure results.

STEP ONE: IDENTIFY YOUR REFERRAL SOURCES

You need to be crystal clear on who refers to you by knowing exactly who your referral sources are. The easiest way to get a handle on who your referral sources are is to look back at your previous clients and determine how they came to you. How did they first learn about you?

If you can gather the sources of your clients for the past two or three years you on a clear path to creating your list of referral sources.

Finalizing the List

Now remember, once you have your list you are just going to focus on those clients or prospects who came through referral sources. Essentially, just remove all clients and their sources if the sources were not referrals.

After removing all "non-referral" sources you will be left with a list of your heroes and the clients or prospects they referred to you.

You will know the following important data after you complete step one. You will know:

- Who was actually referred to you
- How many times they referred you
- How many of these referral sources resulted in a sale

What to do With the Non-Referral Sources

Also examine the non-referral sources. Which client generation techniques are working, and which are not? Once those are identified, eliminate the generation techniques that are not working.

There are Three Sources of Referrals

1. They need you as a resource for their clients
2. They are well connected, what I call "natural connectors." They thrive on connecting people to one another.
3. They are clients who are raving fans.

STEP TWO: MASTER YOUR IMMEDIATE FOLLOW-UP PROCESS

The immediate thank-you process consists of two steps:

1. Tracking the referrals received
2. Sending thank you cards

You need one document where you capture some basic information:

- The date the referral was received
- The name of the referral source
- The name of the prospect

Thank You Cards

You should invest in note cards and stamps. Use those cards to write thank you notes for all referrals received by acknowledging what your referral sources mean to your business, etc.

The Right Thank You Card Language

_____ (insert referral source's name),

I just wanted to take a moment to thank you for the referral to _____
(insert the first and last name of the person they referred).

I am grateful for your support and trusting me to help the people you know and care about. Please let me know if I can do anything for you.

Your name

Change the language as it fits you. You may want to get more personal or mention something specific in the note. But make sure to include the three basic parts of the card.

1. Thank for each referral received by name.
2. Let them know you appreciate the referral(s)
3. Offer to help them.

Send out thank you cards as soon as possible once a referral has been received. To nail step two, you need to track your referrals and then send them a the appropriate thank you note within a reasonable time period. The sooner the better.

STEP THREE: BUILD FOR THE LONG TERM, EXECUTE IN THE SHORT TERM

What makes this plan work is the outreach to your referral sources, called touch points. The reason for the touch points is to keep you top of mind by being memorable and meaningful. Our goal is to create an ongoing experience for our referral sources that encourages them to send more referrals.

To receive more referrals, we need to be focused on developing deeper relationships with those who do refer us or could refer us. This involves three referral principles:

Principle #1: Must Be All About Them

When you think about your referral sources first consider what you can do that makes it all about them. What do they need?

Remember, the number one reason someone refers to you isn't about you; it's about helping someone they know who has an issue that you just happen to be able to solve.

But most of us do like to be thanked when we give a referral. What can you do to show your gratitude?

- Dinner at a fine restaurant
- Wine (if you know they like wine)
- Invite to a wine tasting event
- Golf outing (if you know they like to play golf)
- Invite to a theater production
- Send them a favorite book (if they like to read)

Principle #2: Must be Authentic to You

You must balance what they need against what feels authentic to you. Meaning don't include touch points that don't work for you or fit you as a part of your referral experience.

Principle #3: Must Keep You Top of Mind

Focus on keeping your touch points meaningful and memorable.

STEP FOUR: PLANT THE RIGHT REFERRAL SEEDS

A referral seed is language you use to "plant" the idea of referrals in the mind of your referral source or those you want to become a referral source.

There are many opportunities to plant referral seeds and to plant them correctly you need to know when those moments occur and what language to use.

Here are some key moments to use the right language to plant referral seeds:

- What to say in a thank you card
- What to say when someone asks, how is business?
- The message you include with your touch points
- What to say to someone who is not yet referring people to you
- What you say during your first meeting with the prospect who was referred to you and is considered working with you

One Great Referral Seed Idea

One year I decided to write a thank you card at the end of the year thanking my referral sources for the referrals they sent to me that year. I included the name of the person that particular referral source had referred to me.

By doing so it showed not only that I appreciated the referral, but it meant enough to me to remember exactly who they had referred to me. The idea of using the person's name that was referred is planting a subtle referral seed.

Letting them know I remembered all the times they referred someone to me served to strengthen our relationship. It was memorable and meaningful and it separated me from anyone else they may have referred people to.

Three Referral Seeds to Master

1. In conversation with someone in your network, a client or COI. **When someone asks, "How's business?"** your aim should be to answer in a way that keeps the conversation going. So the next time you are asked "How's business?" what I want you to say is this..

Business is growing. I've been pleasantly surprised how many referrals I've recently received. Maybe that's an indication I'm doing something right.

Planting a seed like this allows you the opportunity to remind people that your work is:

- Of the quality that it receives referrals
- That you value and appreciate receiving referrals
- You are working to grow a referral based business

But your answer does one more thing. It is a pattern interrupt, which is defined as something not expected or goes against the automatic answer someone is subconsciously waiting for.

It is when you have their attention that the referral seed is actually planted.

2. **When someone is considering hiring you** they are in a phase referred to as the buyer's journey. They realize they have a problem and that you can solve their problem. The buyer's journey ends when they decide to hire you or not hire you.

During the buyer's journey don't miss an opportunity to let them know how many of your clients come to you through referrals. Never force this into a conversation. When the time is right, tell them how many clients were recently referred to you. This is typically woven into the conversation when they ask you about your business.

3. During the new client experience. Remind them during your first session together that they were referred to you, and I always remind them of who referred them to you. When you connect our working together not just because they were referred but also to the person who made the referral happen, it allows the idea of referrals to stick better.

STEP FIVE: AUTOMATE THE PLAN AND MEASURE RESULTS

Once the plan is built and set to be executed, we need to track and measure our results. Here are few key metrics to track:

- Number of referrals received by year
- Number of referrals received from each referral source. (Someone who sends you ten referrals in a year needs an upgraded touch point from one who sent you one or two referrals
- Increase in number of referrals received from individual referral sources year after year. You want to know is if they are now sending you more referrals in a year now that you are following the plan.