

How to optimise your referral programme

Key factors to consider whether you are a referrer or a referror. By Ashley Wong.



Business is all about relationships. As a business owner your key relationships will be with your customers and your suppliers. But what about those who refer business to you and whom you refer business to? They may neither be customers nor suppliers but are important to your business.

Successful people want to surround themselves with others who can make them look good.

By finding and surrounding yourself with the right network of people, you will be happy to refer because you know they will not disappoint your customers and you; and there is a good chance you can:

- Improve your mental and emotional well-being.
- Differentiate your business and you. We all know that in this competitive market the only way to enhance our business' visibility is to positively differentiate ourselves from our competitors.
- Have happy and satisfied clients who will be more than happy to re-engage you and recommend you to other discerning clients. You never know when the referral of a lifetime is on its way.

When recommending someone, at stake is not only your personal integrity and reputation; there are also the effects of negative publicity to consider.

People share their negative experiences. One person tells 10 others, these 10 people each tell another 10 and before we know it, our reputation is in tatters.

Trust is difficult to gain but easy to lose. Once trust is mislaid, it is almost impossible to regain, regardless of how much good work had previously been done.

So, what are the key factors to look out for to ensure you get the best out of your referral programme?

If you are a referrer (you refer leads to someone else):

1. Have you relayed your expectations to your referror? A referral programme is only successful when all parties are clear about their respective service

propositions and their expectations of those they refer leads to. Without these two key factors, there is no benchmark to assess who is part of your referral programme and who is not.

2. Do you call your client to ask how things went? Follow up to check the quality of the work delivered and the experience your client received is crucial. If your client is unhappy they are unlikely to let you know for fear of being a nuisance. Your referror may not want you to know they have let you down for fear your referrals to them will cease.

You need to identify improvement opportunities so your clients can receive the best service you can offer them. Even though you may not be the one who did the work, you are associated with the person or business that did. Now is the time to re-clarify with your referror your expectations of them.

“Like people, businesses are drawn to those who share the same values as them.”

3. What is your referror's attitude towards you?

- Do you know if they did contact your client?
- Do you know the outcome of the referral?
- Are you thanked for the referral?

There may be times when your referror and you need to meet to discuss how best to address your client's requirements. When you have a busy schedule, a slight delay can often cause a significant change to your plans. Have often have you had to reschedule your day because your referror was late?

If you have a vested interest in your client's progress and/or your referror and you need to work together to complete your client's project, are you kept abreast of progress?

4. What is your referror's attitude towards your clients?

- Do they respect your clients' homes and properties?
- Do your referrors speak disrespectfully of your clients when they are not around? The world is small. The impact of someone overhearing any negative comments may be disastrous.

If you are a referror (you receive referrals):

1. Do you take the time to thank your referrer for the lead? Whilst people generally are helpful, they also want to feel appreciated. It would be nice to be thanked. A small gesture speaks volumes.
2. Do you understand your obligations to your referrer and his/her client? Always ask your referrer if there is something you should know about the lead. You need to prepare for the client visit.
3. Do you reciprocate by referring your referrers? A referral relationship works like any other relationship – you need to be able to receive and to give. Ask your referrers the sort of clients they are looking for and how you can identify their potential clients.

A final note ...

Referral relationships take time to develop. All parties have to know what their businesses stand for. Like people, businesses are drawn to those who share the same values as them. Further, like any other relationships, a referral network needs to be nurtured. Invest time and energy in your referral network and reap the rewards.

Ashley Wong is co-owner of Wall Treats Limited (www.walltreats.co.nz), a boutique decorating company. Almost all of Wall Treats' business is consistently generated from referrals from clients and others who recommend them.

This article was written with input from John Shattock, The Marketing Coach, www.marketingcoach.co.nz