

3 Common Barriers To Getting Referrals...

Every business owner tells me they do a pretty good job of getting referrals. That is until we start delving into their numbers. I've talked about this before in the past. But I believe these days you need to be aiming to generate at least one referral per customer during their lifetime. Preferably more.

However, most business owners never even come anywhere close to that. Here are the three most common barriers to most business owners achieving their referral driven business dream.

1) A so-so customer experience. For your customers and clients to refer to you, you really need to be giving them a reason to be talking about you to their friends, family and colleagues. The number one reason people buy premium products these days is for a unique experience. Offering them that unique experience means they will tell everyone about you. Make your customer experience unique compared to what your customers can get elsewhere when buying what you sell.

My Insurance Agent spent an hour telling me about his fly fishing trip, where he got to fish in a hand weeded river and stayed in a manor. Multiply that across his client base and he is sure to have told someone who is into fishing and would want the same experience – creating a referral.

2) Not Conveying Expectations. If you want your customers to refer, communicate this to them. They need to know that you expect referrals. You can do this by acknowledging those that do refer – creating an implied pressure for other customers refers to you as well.

First port of call would be your customer newsletter. Thank everyone who has referred a new customer to you in the last month and name them. If your customers come in to your office put a list of everyone who has referred on a noticeboard. It serves the same function but it isn't as effective as using sending it out as part of a newsletter – there is more implied effort in publishing your referees in your newsletter.

3) Not staying in touch between transactions. You need to build a relationship with your customers in between when they come in to buy from you. Some 10% of your customers will forget about you in the next 30 days, if you don't remind them that you are in business somehow. If your customers don't remember who you are then they probably won't remember to refer anyone to you.

Since you need a reason to show up in their lives every 30 days to be remembered, the best thing you can do is publish a monthly printed newsletter. They are much harder to miss than anything sent electronically.

Just like any type of marketing it takes a lot of hard work to generate a steady stream of referrals. But the rewards are well worth it. Looking from the outside you can only see the swan gliding along the surface you don't see the feet below the water paddling away furiously. All the hard work that goes into creating referrals is well hidden in the businesses that get them.

You can create a steady stream of referrals in your business. Just request a newsletter suitability audit. Simply call 1300 006 120 or email info@newslettermarketingsystems.com.au to arrange yours now.