The Art of Referrals
Referral

re·fer·ral noun
/reˈferəl/
plural noun: referrals

• an act of referring someone or something for consultation, review, or further action.
Powerful Business Model

Referrals are your most cost effective method of driving quality traffic
Power of Referrals

1. Referrals increase your sales revenue

2. Referrals bring you more referrals

3. Cost effective

4. Increase your closing ratio
Do you have a Referral Strategy?

• “All my business comes from word of mouth.”

Is NOT a referral strategy!

• Harness referrals in a more systematic way
Referral Strategy

1. “Wow” the Client
2. Systematically Working Referrals
3. Give Clients/Consumers a Way to Refer
Wowing the Client

• At every step in the process to create the “WOW”
  ▫ Before
  ▫ During
  ▫ After
Wowing the Client

- Provide more than what you promised
- Create a delightful experience
- Go above and beyond expectations
- Provide additional value through leveraging your strengths
Systematically Working Referrals

If you don’t create a system for generating referrals, it will never become a sustainable, dependable source of revenue in your business.
Systematically Working Referrals

- Get Over the Fear of Asking for Referrals
  - Remember:
    - Most people like to help others
    - Worst that can happens is a “No”
    - Average person knows in excess of 250 people
    - Make asking for a referral part of your routine
    - Most people never assume your looking for referrals
    - Extension of the good service you provide
    - Deal is done doesn't mean the relationship is over
Systematically Working Referrals

- Have a Referral Script
  - Be sincere and direct
    - "I'm really glad that you're pleased with my work. I'd really appreciate it if you'd pass my name along to anyone else you know who would be interested in real estate. May I leave these extra business cards with you?"
Great Sources for Referrals

- Target your Sphere of Influence (SOI)
  - Past Clients
  - Friends and Family
  - Professional Contacts
  - Former Colleagues
  - Online Acquaintances
  - Person Standing in Line Behind You
  - REALTOR® to REALTOR®
Great Referral Sources

- Past Clients
  - Teach your clients how to refer
    - Receive the contact information of referral
  - Consider the Timing
    - Experience should be fresh in their minds
  - Ask Consistently
    - At every touch point throughout the relationship
    - Build into your marketing programs
Great Referral Sources

- Past Clients
  - **Give and You’ll Receive**
    - Show Respect
    - Never Make Assumptions
    - Client Parties
  - **Always Say Thank You**
    - Acknowledge referral immediately
      - Thank you note, phone call
    - Upon closing referral
Great Referral Sources

- Friends and Family
  - Educate them on who are your potential prospects
  - Provide them your business cards & contact information
    - Train them to collect the referrals information
  - Ask them to keep their ears open
Great Referral Sources

- Professional Contacts
  - Natural Referral Sources
    - Accountant, Lawyers, Dry Cleaner, Interior Decorator etc....
    - Remind them what you do
    - Suggest trading referrals back & forth
    - Exchange business cards and contact information
    - Thank them for their trust in you
Great Referral Sources

• Former Colleagues
  ▫ Let them know what you are doing
  ▫ Reach out and keep in touch
    • Listen and catch up
    • Don’t always have to talk real estate
  ▫ Update them on your Real Estate adventures
Great Referral Sources

• Online Acquaintances – Social Sharing
  ▫ Facebook, LinkedIn, Twitter, Pinterest, Instagram
  • Mention what you do in your bio
Great Referral Sources

- Online Acquaintances
  - Have an informal contest
    - Guess the list price of this new listing that will hit the market next week
    - Have a referral? I’ll sent you a $10 Starbucks Card
    - Don’t be TOO pushy online or you will be dropped
  - Have your 3 P’s shine online
    - Passion, Personality and Profession
Great Referral Sources

• Person Standing in Line Next to You
  ▫ Strike up a conversation
  ▫ Usually you don’t have to pitch hard
  ▫ Wear a name badge
Great Referral Sources

• REALTOR® to REALTOR®
  ▫ Attend Conferences
    • State Association of REALTORS®
    • National Association of REALTORS®
    • Societies and Councils of N.A.R.
    • Your company
Great Referral Sources

- REALTOR® to REALTOR®
  - Get involved and volunteer
    - Women’s Council of REALTORS®
    - Local, State and National Association of REALTORS®
    - Young Professional Network
Great Referral Sources

- REALTOR® to REALTOR®
  - Social Networks
    - Facebook, Twitter, LinkedIn etc..
  - Groups:
    - Referral Mindset/Refer with Purpose
    - Women’s Council Referral Group
    - “Company” Referral Group
    - National Association of REALTORS® (NAR)
    - National Association of REALTORS® YPN
Great Referral Sources

- REALTOR® to REALTOR®
  - ABR® Network
  - Have the ABR® designation & want to join this network email: rebac@realtors.org
Provide Clients a Way to Refer

- Provide Clients your contact information
  ▫ Email signature
  ▫ Business Cards
  ▫ Direct Mail
  ▫ Online Bio’s
  ▫ Website
Provide Clients a Way to Refer

- Communicate and Teach Clients how to provide referrals
  - Ask: Who, What, When
  - Face to Face
  - Email
  - Website
Follow Up Systems

- Use a Client Relationship Management system
  - Top Producer
  - Insightly
  - WiseAgent
  - Contactually
  - Company Owned
Follow Up is Key

It takes an average of five sales calls to close a deal, but most salespeople give up after just one or two calls.
Make it Measurable

- Set a Target
  - Measure the results to improve performance

- Set a Clear Goal
  - What % of your business do you want to come from referrals in 2015?