

The 7 Deadly Referral Mistakes – Are You Making Them?

Mistake #1 – Lack of Commitment to Referrals

- Are you committed to building a referral-based business? Really?
- Are you just giving lip service to the notion?
- Why are most people not fully committed to being proactive with referrals?
 - FEAR
- How would your “best client ever” prefer to meet you?
 - Cold call?
 - Seminar?
 - Direct Mail?
- Studies show meeting through an introduction from someone they know and trust.
- Become a “student of referrals”, learn all you can, from whomever you can.
- Giving referrals let’s you know what it’s like to be on the receiving side of referrals.
- The more you ask for referrals, the stronger your commitment will become.

Mistake #2 – Making Referrals All About YOU

- Expecting it as a way of getting paid. Don’t do it!
- Do not set it up as an obligation.
- Producer-centered methodology in asking for referrals – “I’m building my business and I really value your help”
 - It can produce results, but there is a better way.
- Use a client-centered approach to asking for referrals
 - Make it all about the value you bring to them and they recognize
 - They saw the value in the work you’ve done for them
 - They want to introduce others to that value
- Clients give referrals ONLY when they see the value in the work you do.
- Make your request for referrals all about your value and extending that value to others.

Mistake #3 – Forgetting to Ask for Referrals

- Have you ever forgotten to ask for referrals?
- What can you do to fix this mistake?
- Get yourself a “Prop”
- Many are having great results using a Referral Journal
 - They have a small “black” (any color) book they put on the table during all of their meetings.
 - This acts as a constant reminder (prop) to plant referral seeds
 - Have value discussions
 - Ask for referrals
- Does not mean asking for referrals every meeting, just to remind you not to forget.

Mistake #4 – Not Being Referable in the First Place

- Are you referable?
- How do you know?
 - On barometer is if you are getting them without asking for them.
 - You should be getting them
- However, these passive referrals aren’t usually plentiful enough or not always the right matches.
- That’s why we need to be proactive without being pushy.
- How do you become more referable to prospects and new clients?
 - It’s all about the process you go through with them.
 - It’s NOT about your products/services, although, great products/services help
 - The greatest product/service in the world won’t spur a client if your process isn’t referable.
- Think process, not products/services
- What keeps you referable of the lifetime of your client relationships?
 - There are three levels of activity to engage to maintain a high level of referability:
 1. Transactional – systems, standards, and help in place to make sure you don’t drop the ball and handle all transactional aspects of your practice with impeccable service.

2. Value Added – must continually add value to your client relationships

Be realistic, bring as much as you can to your “A” client, a subset of that to your “B” client and a subset of that again, to your “C” client.

3. Business Friendships – Build as many business friendships with your clients as possible.

- Some may not want to be your business friend and vice versa.
- People do business with their business friends and they refer business to their business friends.
- One of the best ways is to host a client appreciation event of any kind.

Mistake #5 – Thinking Great Service Alone is Not Enough

- Many are under the illusion, that “if I just serve the heck out of my clients – they will refer me to others.
- Some will, but many won’t unless you nudge the process forward.
- The 60% Rule:
 - 20% of your clients will give you referrals – almost no matter what. These folks are wired to give referrals.
 - 20% of your clients will never give you referrals – almost no matter what. You could run into a burning building and save their children and they wouldn’t give you referrals. They have different “wiring.”
 - The referral gap that exists for most professionals is the 60% of clients who will have a conversation with you about referrals, but NOT unless you bring it up with them.
 - Not all will give you referrals on the spot, but over time.
- How is referral gap?

Mistake #6 – Letting Your “Belly Button” Get In the Way

- Protecting your belly button is giving into your fear
- Already explained, most people don’t ask for referrals due to fear.
- Although many different reasons, most are “fear-based”
- The good news is that at the core of each type of fear, there is a solution.
 1. Fear #1 – Asking for referrals will make me look unsuccessful. I don’t want to beg for referrals.
 - a. Of course you don’t, who does. But this is fear based; “I fear being judged as unsuccessful by my clients.
 - i. The solution: Find a way to ask from a position of strength; that comes from a position of success.
 - ii. Make it all about the “VALUE” you bring and confidence you have in being able to help people.
 2. Fear #2 – Asking for referrals will hurt my relationship with them.
 - a. NO in won’t, not if you ask in the right way.
 - b. Use the Client-Centered approach that is softer and makes your value the point of referral.

Mistake #7 – Not Using a Systematic Approach

- Don’t just “dabble” in referrals
- To be able to create referral momentum you need a systematic approach on a regular basis.
- It’s like playing pool, as you are making a shot, you are looking ahead to the next shot.
- You start with a prospect, which then turns into a client.
- Do the same thing with referrals, establish a systematic approach on building referrals through client-centered value positioning and client one can turn into client two and so on.

This Discussion Topic was lead by Doug Denny, Double D Copywriting

Source: Bill Cates, Referral Coach International 2006