



ESSENTIAL REFERRAL MARKETING TIPS IN 8 EASY STEPS



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Being in business means learning a lot about lots of different things. Sometimes it's about something new in the world of business, and other times it's about our industry, or ourselves. **But what's one key thing that all business owners must learn? ... The art of forming valuable business relationships.**

While this seems easy enough, it appears that many people have trouble with it. "Why?" we hear you ask. The answer is simple. In today's society it's so easy to feel connected, even when we're not.

Don't get me wrong, I LOVE the simplicity of being able to connect with anyone, anywhere in the world through social media but I do think that it has allowed us to become complacent in forming real world connections. Sure, we are still making connections in the virtual space but the experience is dehumanised, think about it, private messaging someone is not the same as getting to know someone face-to-face. And while I think social media is a great tool for strengthening business relationships and staying in touch, it's important to really know someone before initiating the conversation about referral marketing and how you can work together in a mutually beneficial way to further both businesses.

SO, WHAT IS REFERRAL MARKETING?

Referral Marketing is about connecting with people, essentially it's 'word-of-mouth' marketing. Think of it as a 'refer a friend' system.

Research has shown that when you recommend something to a friend they're four times more likely to purchase the same product or engage in the same services. The science behind this is simple, your friends trust you. Their opinion is valuable to you, so when you recommend a product or service they're more likely to give it a go.

Need some stats to back that up? - A Nielsen Survey shows that businesses with a referral marketing system in place have a 70% conversion rate and 69% faster time on close rates. In fact, referral marketing scores the highest across every single demographic, out-doing editorial content, all forms of ads, and brand sponsorship.

By incorporating referral marketing into your business, you could potentially be saving yourself hundreds of dollars which would otherwise be spent on more 'traditional' forms of marketing.

So, how should you tackle referral marketing? Let me enlighten you.

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STEP 1: Unlock the power of your mind!

If you've ever read the 'Secret' by Rhonda Byrne, (which I highly recommend), you will have already encountered this idea of manifestation, "your thoughts become things." - Byrne. This same principle applies to referral marketing. If you're not in it for the good of everyone involved, and if you don't have a positive outlook, chances are you're going to have a really hard time being successful with this type of marketing.

Let's face it, we've all been brought up in a competitive world. From the time that we start school we are compared to our peers. Who's better at sport? Who's musically inclined? Who's good at English? The list is endless... And as we get older nothing much changes, except for us. A lot of adults enjoy the

satisfaction of being better than others, so they become selfish.

Unfortunately there's no room in the world of business for people with this kind of attitude. Being in business is all about collaboration, it's about building lasting relationships and helping others on their journey towards success. So if you're thinking that business is all about competition, think again. It's time to leave that attitude at the 'door', it's straight up unhelpful.

Let's take a look at how you can put your best foot forward to help others and in turn help yourself on your business journey.



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1. THINK ABUNDANTLY.

No one wants to help someone who's constantly concerned about who has more and who's doing 'better'. It's unattractive to fellow business owners. I call these types of people the 'Negative Nancy's' of the business world, they're all about underselling themselves, being fearful and dwelling on the negatives. To be successful in business, life and referral marketing you need to think big. After all, you started a business because you had a dream, you were passionate about something. Remember that, channel that. It's not just about thinking abundantly but also acting it. Imagine you've already made it! I'm not saying that you should splurge on a shopping spree, what I am saying is always present yourself as if you're already successful. Think about what you can do for the customer, not what the customer can do for you.

People who are able to take on these attitudes are able to:

- focus on helping others and in turn help themselves.
- realise when opportunities are not for them and can happily pass them on to someone else without feeling like they're missing out.

These people are selfless, not selfish.

2. THERE'S ENOUGH OPPORTUNITY FOR EVERYONE.

I've found that often people are afraid to pass up an opportunity that'd be better suited to someone else because they're scared giving it up will set them back. I prefer to think about it in this way: - There are enough opportunities for everyone, if something comes into your life that you feel is not suited to you, pass it on to someone who you think will make a great fit for it. Chances are that person will be grateful and they'll think of you next time something comes up in their path that they feel you'd be better suited for.

3. DON'T BE AFRAID TO ASK QUESTIONS.

As a kid I was always afraid to put my hand up and ask the question. I always thought that people would think less of me, or think of me as dumb... but now I realise that asking questions is important and that questions can actually add a lot of value.

Some valuable questions that I like to ask myself are:

- How can I perform better?
- What can I do today that will get me closer to my goals?
- Why have I had this setback and how can I move forward?

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Some valuable questions to ask others:

- How can I help you?
- Do you have a challenge that I can help you with?
- What do you need to do to move forward?

Why are these questions so valuable?

They're service based questions, they ask you to be accountable and evaluate circumstances in a positive light. They're far better questions to be asking than 'stuck-in-the-moment' questions like: "How am I going to get noticed?"

With that in mind, never ask for a referral without being willing to offer your assistance to the other person. Always follow up with a "how can I help you?"

By taking the focus off of you and putting it on the other person, you're showing them that you care. When someone knows that you care, they're more likely to want to help you too.

Things you can do to unlock the power of your mind:

- Invest in yourself
- Listen/read about self-development
- Write a list of valuable questions that you find helpful
- Use affirmations

STEP 2:

Find your referral partners.

As previously mentioned, referral marketing relies on other people and to get other people on board you need to have trusted referral partners that know what you do and who want to help you grow your business.

WHAT IS A REFERRAL PARTNER?

A referral partner is someone who is always on the lookout for or creating opportunities for you to get new business. They're someone who wants to help you because you want to help them. Genuine referral partners will not ask for commissions.

HOW DO YOU CHOOSE A REFERRAL PARTNER?

It's vital that you have your own criteria when looking for a referral partner, you need to know who you're looking for.

Here are some questions to ask yourself:

- Does this person's network reflect my client base?
- Does this person have the time to be a referral partner?
- Is this person credible enough?
- Does this person genuinely want to help you grow your business?
- Does this person have the right values and mindset?

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Things to consider:

Find people who are already referral partners for people in other industries.

If you think you've found the perfect person but they just don't have the time to help you, think about finding someone else.

Make time every day to reach out to your potential and current referral partners.

Train your referral partners so they thoroughly understand what you do.

How to get referral partners:

1. Look into your current network, are there any possible referral partners there?
2. If there are, contact them and let them know about you.
3. If you don't have any possible referral partners in your network, head out and get networking! Start meeting fellow business people.
4. Start building your partners and training them.
5. Repeat these steps until you have about 5 - 6 referral partners.
6. Regularly follow up and keep in touch with your referral partners.

THERE ARE THREE MAIN TYPES OF REFERRAL PARTNERS THAT YOU SHOULD WORK ON GETTING.

1. The Cross Promoting Partner

This is a person who is willing to share you into their network and you share them into your network. It's simple and it's a great way to get more people to know about who you are and what you do.

Cross promotions work best when people are required to give you their details so that you can build an ongoing relationship. I would recommend trying to get at least one cross promotion per month.

Who are 5 people who you'd be interested in cross promoting with?

2. The Content Distributor

People who are willing to share your content across their social media platforms so that you're able to reach a wider audience.

Which 5 people in your network do you think would be interested in distributing your content? Remember that if they're willing to do that for you, you should be willing to do that for them too.

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3. The Affiliate Partner

Affiliate partners are perhaps the hardest kind of referral partners to get because there is a lot you need to consider. For example, affiliate partners will be selling your products/ services so they will require a commission for making a sale. Is that something that your business is equipped for?

If you think 'yes' then it's time to think about who you would be willing to approach and how much of a commission you'd be willing to give them.

No matter what stage your business is at, having referral partners will positively impact your business in ways that you never thought possible.

Referral Marketing generates 3-5x higher conversion rates than any other channel.

STEP 3:

Understand the importance of your network.

Okay, so now you understand what referral partners are, how valuable they are to your business and you know how to get them, but what about your business network? It's essential that you do not lose focus on it.

Why? - Because people in your network are your golden ticket to business success!

Network growth = potential new clients.
Potential new clients = more business!

Allow me to give you some simple steps to build your business network.



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1. BECOME AWARE...

Think of who makes up your business network, include anyone who you spend time with, associates, friends, family members, team mates, they're all part of your network. Sure, not everyone in your network has the same amount of influence but that doesn't matter, what matters is that they each have their own networks that could lead to opportunities for you, that's what's valuable.

2. CATEGORISE YOUR NETWORK LIST.

In your network there will always be 4 types of different people.

- **The dormant ones:** these guys know your name, they know a little bit about what you do but they don't necessarily trust you because they don't really understand why what you have to offer is important. You won't get too many referrals from these guys.
- **The stagnant ones:** these guys know your name, they know what you do, they trust that you're good at what you do and they would use your products or services, but they don't promote you all that often. If the right conversation were to arise, they would recommend you.

- **The active ones:** these guys know your name, they know exactly what you do, they like and trust you, and most importantly, they want to help you. They're the kind of people who will always use your services and will happily speak about you to their network. These people are referral partners.
- **The opportune ones:** these guys are practically working advertisements for your business, they love what you do and they love your community.

By categorising your network list you're able to understand where everyone in your network sits, it then gives you the opportunity to train the right people in your network to 'level up'.

3. GET OUT THERE!

You're going to have trouble networking if you don't put yourself out there. Make sure you take the time to attend events and make valuable connections with people. Don't just rock up and exchange cards, set yourself a goal for each time you do go to a networking event, maybe you want to try and genuinely connect with three new people?

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4. IDENTIFY THE MEMBERS OF YOUR NETWORK.

There are three main types of networks, their individual purposes are pretty self-explanatory:

1. The information network
2. The support network
3. The referral network

How to identify who is part of which network:

The information network: Provide a constant supply of information which helps you stay ahead of the game.

The people	Why are they part of this network?	Who are they?
People who are like you	<ul style="list-style-type: none">• Want the same things.• Understand that you can get places faster, together.	<ol style="list-style-type: none">1.2.3.
People in the same profession as you	<ul style="list-style-type: none">• Great source of information.• Aware of what's happening in your industry.• Face similar challenges.	<ol style="list-style-type: none">1.2.3.
Trainers	<ul style="list-style-type: none">• Helpful in evaluating where you're at.• Offer advice.• More experienced.	<ol style="list-style-type: none">1.2.3.



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The support network: The people that respect and love you. Their motives are genuine. They feel a duty and responsibility to help you succeed.

The people	Why are they part of this network?	Who are they?
Mentors	<ul style="list-style-type: none"> • They know you and understand what you're capable of. • Provide focus. • Give you valuable feedback. 	<ol style="list-style-type: none"> 1. 2. 3.
People you've mentored/ helped	<ul style="list-style-type: none"> • Want to give back to you. • Emotionally connected. 	<ol style="list-style-type: none"> 1. 2. 3.
Friends & Family	<ul style="list-style-type: none"> • Genuinely want to help. • Enjoy helping you in your success. 	<ol style="list-style-type: none"> 1. 2. 3.

The referral network: People with the potential to send you business. They may also belong to your information and support networks.

The people	Why are they part of this network?	Who are they?
Happy clients	<ul style="list-style-type: none"> • Can provide you with glowing recommendations. 	<ol style="list-style-type: none"> 1. 2. 3.
People who you do business with	<ul style="list-style-type: none"> • You doing well benefits them. • People like to do business with people who do business with them. 	<ol style="list-style-type: none"> 1. 2. 3.
Staff	<ul style="list-style-type: none"> • Your success is their success. 	<ol style="list-style-type: none"> 1. 2. 3.

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STEP 4: Stay relevant, be remembered.

Now that you've got some tips for recruiting the perfect referral partners and extending your network, let's talk about why it's crucial that you remain relevant.

Staying relevant is what will ensure that you get the referrals that you want, it's all about showing up, being consistent and being remembered. If people can't even remember who you are, there's no chance that they're going to refer your services. I'm not saying that you should go ahead and annoy everyone in your network every single day, but what I am saying is make sure that you do make the effort to reach out and connect, show people that you're there and that you care about how they're doing. It doesn't have to be hard, especially these days when you can easily send a text, a private message or email.

HERE ARE SOME OTHER WAYS THAT YOU CAN STAY RELEVANT AND BE REMEMBERED:

Connect: try to connect with a few people in your network every day, offer them support and refer their services.

Invite: going to events alone is daunting, so make the effort to reach out and invite people in your network to attend events with you. This will show them that you care and that you want them to be successful, people will remember that.

Brag a little: people love people who talk positively about others. It's super easy and people will instantly want to get on your good side because they see that it pays off.

Get involved: think about sponsoring an event, being on a committee or doing something that will get your name mentioned for doing good within your community.

Staying front of mind doesn't have to be hard, it doesn't have to be super time consuming and laborious, it just takes subtle, gentle nudges to remind people that you're there.

Make it your goal to reach out to at least 5 people in your network, per work day. That will end up being 25 people by the end of the work week. That's 25 people thinking about you, talking about you and remembering you!



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STEP 5: Network, network, and network some more!

For most people, the scariest part about networking isn't the follow up conversation, it's the getting out there and meeting people. Your first networking event can be a very daunting experience and it's easy to see why.

Networking is notoriously portrayed as scary and stress inducing, and while that may be the case in some scenarios (probably why a great majority of people who do try networking, end up failing at it), at networking groups like NRG it's quite the opposite.

We focus on keeping things fun!

NRG events are an exciting place where people can create opportunities and connections with like minded people.

Something to remember when you do take to the world of networking - everyone is in the same boat.

Everyone feels out of place at first, but just sit with that feeling and try your best to give the event a go. Try to get to know people, ask them questions, find out more about what they do and why they do. Engaging in conversation will help you feel more at ease.

Plus, people always love it when you ask them questions about themselves, it makes that feel important. Really

it's a win-win, you start to feel more comfortable, and the people around you will see that you're a great networker and they'll want to mingle with you.

Important tip for networking events: don't be the kind of person who shows up just to sell their business.

STEP 6: Let's build referral teams.

Alright, so now that you know what referral marketing is, how to spot valuable referral partners, grow your network and be remembered, let's look at building your referral teams.

FIRST OF ALL, YOU NEED TO KNOW THAT THERE ARE TWO TYPES OF TEAMS THAT YOU SHOULD CREATE:

- **The power group:** a group of 8 - 10 individuals who have a similar client base but who are not in direct competition with each other.
- **The profitability partner:** a one on one partnership with a strong business relationship.

This doesn't mean to say that you shouldn't be a part of other referral groups.

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HOW TO WORK WITH YOUR SUPER GROUP

- Meet up on the same day, at the same time, once a month.
- Hold each other accountable.
- Set a goal for the month that everyone can attempt to achieve.
- Allow each person some time to talk about their month.
- Ask what you would like others in the group to do for you.
- Offer others what you can do for them.

HOW TO WORK WITH YOUR PROFITABILITY PARTNER:

- Schedule a 15 minute phone call once a week.
- Hold each other accountable.
- Set a goal for the week.
- Discuss what connections you'd like to make within the week.
- Each person states a couple of things they would like for the other to do for them throughout the week.
- Each person states what they will aim to do for the other throughout the course of the week.

Think about building your teams as soon as possible, but don't rush. Make sure that you are inviting the right people into your groups. These people will form your hubs/ business community.

STEP 7:

Your business, your community.

Never lose track of what you're passionate about and why you started your business in the first place. Always think about the 'bigger picture', don't get trapped in the daily-motions.

Your clients, your referral partners and network are what makes your business more than just a business, they turn it into a community, they bring your vision to life.

What makes a business successful is a community of people who are passionately invested, people who will be your advertisements, your fans and your number one supporters. These people add value, credibility and so much more, all you have to do is nurture your relationship with them.



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STEP 8: Communicate!

Having a team of people who whole heartedly support your business is incredible, but like I said, it does require that you continuously nurture your relationships. How do you do that? - By communicating (obviously!)

If you fail to communicate effectively with your referral partners, your network and/or your community, then you set yourself up for failure. How do you expect people to support you if you aren't supporting them?

Being a master communicator is easy, you just have to figure out how your community likes to do things. Do they prefer emails, or phone calls? Zoom meetings or private messages? Whatever it is that works for yourself and for them, make sure that you are actively doing it.

STEP 9: Let's put it all together.

We've covered everything that you need to know so that you can effectively use referral marketing to level up your business, now all that's left to do now is summarise what you've learnt.

- Always put others before yourself in the world of referral marketing
- Stay relevant to be remembered
- Communication is key
- Network, network, network!

In a world that is full of distractions, focus on making things simple. Make your business about people. Be someone that they can get to know, like and trust. After all, word-of-mouth marketing is still and most likely will always be the number one form of marketing for all industries.

NEED HELP PERFECTING REFERRAL MARKETING?

Get in touch with leading business woman, Tracey Franco,
email: traceym@nrgnetworking.com.au or phone: 0417 395 949.

