

Generating word-of-mouth referrals

Building your business through word-of-mouth referrals is every business owner's dream...not making cold calls, having clients come to you rather than spending time and energy hunting them down. But while it sounds perfect, for many of us making that dream a reality is much more of a challenge.

Developing a consistent, reliable referral system takes planning. Think about how you can make it a central part of how you do business. Look at different ways you can make referrals a condition for doing business with you. Let's look at a hypothetical example of a business that has word-of-mouth referrals working for it.

Imagine a dentist that only takes on new clients that are referred to him. He offers exceptional customer service and, unlike some dentists who have too many patients, does not rush with his patients. He is also able to charge more than other dentists for his services because he is so "in demand."

Patients are willing to pay more to see him because they know he provides exceptional service. For the patient, knowing he is in demand makes him psychologically worth the extra money being paid. As his patient, you feel lucky to have him as your dentist. Thank God, your friend referred you!

Let's examine a few ways you can encourage your clients to make referrals for you:

Many businesses offer a reward for referrals or even pay their clients for referrals. Consider this payment part of your marketing budget--so don't skimp on the reward. Another, more elaborate, option is to have a reception or party. Invite your clients and tell them to bring their friends. This event can be personal and at your home, or more of an open house at your office. There are many advantages to having the party at both places.

Going above and beyond what others do in your line of work is a must in order to generate referrals. Many times it's all the little things you do better than your competitors that make you stand out from the crowd.

One more great tip is to always have a "forward to a friend" option on your electronic communications. Make it easy for others to learn about you. Be sure to thank your clients for their referrals and buy them a gift--even a small one will be remembered. And don't be afraid to ask your existing clients for referrals. Sometimes clients don't think about how they can help you. Let them know how it helps you and how much you appreciate it. Asking for referrals can actually help strengthen the relationship you're building with your clients, because both parties are able to give to the other. On that same note, you can refer others to your clients. Learn about your clients and their businesses, and refer people to them.

Work on all the things you can do to make other people's business successful and, in return, your's will be, too. The old saying, "what goes around, comes around," unquestionably applies to the referral factor. Take the time to evaluate what you can do to personalize your relationship with clients. Send them birthday cards and

holiday cards. If you see an article they may find interesting, rip it out and send it to them with a hand-written note. This not only lets them know you're thinking about them, even while you're not "on the clock," but is a thoughtful gesture that takes the "strictly business" out of your relationship and builds more of a friendship. People like to do business with their friends. For those of you with offices that clients visit, have a "thank you for the referral" wall where you post the names of clients that referred you. People love to see photos of themselves and other happy clients. Again, it makes you seem more like a friend than a business acquaintance.

And finally, satisfy the unhappy customer. Regular customers who temporarily become unhappy have the potential to be your best advocates. Resolve their problems and they will become your most loyal customers and recommend you. We all make mistakes and clients respect that. Admit it when you're wrong and correct the situation.

When considering what type of discount or referral gift to offer, remember what your cost would be to generate a new client from scratch. Include the cost of printed material, ads, sales calls, and meetings...think of the entire cost involved in generating new clients, not just the cost of the gift. Also, keep in mind that incentive programs help you sell more often to your existing clients, which can increase sales at a lower marketing cost.

About the author

Founder of A Marketing Connection and The Copywriting Institute, Kelly Robbins, MA, is an award winning author, copywriter and healthcare marketing coach/consultant. Kelly is a blogger for both Chiropractic Economics and Massage Magazine and is the author of [*Marketing 101: Why Successful Alternative Healthcare Practitioners Specialize*](#) as well as co-author of [*The Practice Evolution Success Kit*](#). She also publishes [*The Healthcare Marketing Connection*](#), a free e-zine on healthcare marketing tips. Contact Kelly to receive her free report, "5 Critical Mistakes Healthcare Marketers Make that Lose Sales and Plummet Profits" at www.AMarketingConnection.com or 303-460-0285.