Selling & Sales: Asking for Referrals

If you want to drive organic new client acquisition, a great source of leads are referrals from existing or past customers, vendors and partners.

Several steps are important in developing this as a lead channel.

- It all starts with providing an outstanding client experience. Absent that, it is unlikely anyone would refer you even if you had the courage to ask.
- The next step is knowing when to ask and how to ask.
- If you are successful in earning a referral, you must have a sales process that will follow-up on these leads.
- Finally, it is important to close the loop with the referral source.

Why Haven't I Asked? Referrals are a great source of sales leads. Then why is it that most sales reps won't ask for them? Or more importantly, why might it not even occur to a sales rep to ask for a referral?

Asking for referral is based on everyone doing a great job for a client BUT even if we think we've done nice work, on some level our own fears may hold us back from asking …

I may not want to know the answer as to how they feel about me.
I may not want to know how they feel about my work.
I may not want to know how they feel about our company.
I may feel the request is too pushy, aggressive, etc. (salesy stuff)
I may think it portrays us as somewhat desperate, i.e. needing the work.
I may not feel we are worthy of such a thing.
I may think asking for help is beneath me.
The list of reasons goes on …

It is important to consider, "Why haven't I asked in the past?" or "Why hasn't it occurred to me to even ask?" Explore the answer you tell yourself, and you will usually find the source of the fear that could be impeding this as a growth possibility.

Become aware of what you are telling yourself. *Self-awareness is curative.*

When is the "Right' time? Do I wait to ask for a referral until the client relationship has fully matured and developed? Do I wait until the client decides to leave?

Other than not waiting until the client notifies you that they are leaving before asking, there is no one answer, but there are some signs along the way.

3YG SALES TRAINING TECHNOLOGY

1222 Washington Avenue •Oshkosh WI 54901
(O) 920.479.6225 • (M) 920.410.9229 • russ@3yg.us • www.3YG.us

Start paying attention to Indicators. Maybe a client pays a compliment or gives you the opportunity to provide more product/services. You conduct a regular status review and are getting positive feedback. Or, you've delivered on all your commitments, and you keep your word consistently. Those are all indicators that it would be an ideal time to ask.

Integrate Referrals into Your Sales Process. When asking for referrals, don't add to your workload but make it part of an existing process. For instance, if you conduct monthly or quarterly status reviews, or you have regular meetings with clients, those may be opportunities. Make it part of the process to ask, or not ask, just make yourself aware of the decision you've made. Make it a topic for your agenda, even it is just your internal personal agenda. It may not feel appropriate to ask during an existing client meeting, trust your instincts. If that is the case, ask the client for a separate meeting to discuss referrals.

Process can help minimize the impact of fear or limiting belief and help you in becoming more self-aware of underlying impediments to growth.

Sales managers should make it part of their regular sales meetings to review the status of referrals.

Make it part of your CRM by creating tasks in existing client records as a work rule to bring it to your attention. Make client, vendor, and partner referrals as a lead source in your CRM to track where your new business is coming from.

Ask and Make It Easy. Let's start with whom should ask. If your existing process is for sales reps to move on once a client is closed and on-boarded, I would not suggest sales re-engage to ask for referrals. The "ask" should come from the person who handles the account management and is responsible for the client experience. They have the credibility.

There are two ways to ask, 1) Ask for a non-specific referral or 2) Ask for a specific referral.

A non-specific referral is when you are *not* asking your client for a referral to a specific company or person. The usual reply you may get when you ask for a non-specific referral is, "Let me think about it and get back to you." This type of request means people have to *think* and that can feel somewhat burdensome, like work. If you try this, it is important to express your appreciation and then indicate a date/time that you will contact them to follow-up. The clearer you can be in your request about what you are looking for will be very helpful, e.g. contacts who are in a specific market/geographic area etc. Also, your clients may not have direct connections to companies you defined, but may know people who do know them. So a good referral to a potential referral can be as valuable.

A specific referral would be just that, "Do you know anyone at ABC company?" You can make this request even easier by checking your clients work history and LinkedIn connections to see if they are connected to someone you want to be referred to. So do some research first and then ask.

I always try to make things easy for people I am requesting a referral from. So if someone does know someone and would be willing to refer me, often I will say let me make the initial contact and I will mention you referred me. I take the lead. If that doesn't get a reply you can always go back to their referring client and ask if they would make a personal introduction.

Don't Wing It. Be prepared on how you are going to ask. Here are some examples:

"In your <Indicator: our conversation/your email> on <Date>, you made some very generous comments about me and our team. Like you, we are always interested in growing our list of satisfied clients so I wanted to reach out to see if you might know of any <define>…"

"Thanks for connecting on LinkedIn. I noticed you are connected to <define>. I would be very interested in connecting with them to see if we could assist them in their <define>. Would you be willing to refer me?"

"I certainly appreciate the opportunity you have given us and trust you are happy with what we have been providing. Like you, we are always interested in growing our list of satisfied clients so I wanted to reach out to see if you might know of any <define>…"

Draft your own scripts, but be prepared. Don't wing it. You can also anticipate their reply so be prepared with your response. Conclude the discussion with being very clear on follow-up steps that you will take.

You've Got A Referral! Now What? Follow your defined sales process if you have it or create a process. Track their progress through the pipeline in your CRM. Believe it or not, the majority of leads are seldom followed up on or the follow-up is sporadic, ad hoc and is made up of one or two attempts (usually email) and then reps stop. Make sure your process is such that they leads will be worked to some sort of conclusive ending; gone or sold.

Close the Loop. *Let the referral partner know the outcome.* Personally, I won't refer people too many times if I don't hear back on how previous referrals turned out.

Reciprocate. Good long-term referral partners are founded in reciprocity so look for ways to reciprocate, even if it just means offering to do likewise. Pay it back or pay it forward.
