

JUNE

NEWSLETTER

Are Client Referral Programs Worth Your Time?

Simply stated...YES! A client referral is incentive rewards offered to existing customers for referring new clients, often structured to benefit both the referrer and the referred. Rewards are given to customers when they successfully refer to someone who completes the desired action which can be signing up as a customer, making a purchase, or booking a service. These incentives motivate customers to actively promote your business.

To succeed with referral rewards is to make sure you have a system in place to track to ensure rewards are recorded, delivered promptly and accurately. Either create a VIP Referral Club on your website where clients can register as well as enter their referral or assign a specific person that will set up data entry. If you leave it up to individual staff members to create their own incentives and track, this is where referrals can get lost and lack of communication delivers only negativity regarding your brand of service.



What are the benefits of referrals?

- **High quality leads!** Referrals will convert better than cold calls because they come with trust from your referral client.

A little warning about referrals. Make sure your clients who enroll in your program, have a clear understanding of what you are looking for. This referral should already be an agreement that the company is willing to meet with you. The referral is your foot in the door with the decision maker. Lots of referral groups out there. Yes, they can work; however, most of the referrals I received were members just submitting slips" to build their referral numbers within the organization. Most times I would call, and they had no idea who I was, what is my product and my favorite "who is this person that give my name to you". Eighty percent of my referrals were bogus!! One time I had a member give me a referral for 20 name badges; not one referral for 20 badges, 20 individual referrals for each name badge. Do your homework and talk to members inside of the group regarding how they are doing before you lay down big dollars or sign on referral agencies.



Are Client Referral Programs Worth Your Time?

- **Cost Effective.** Have you all researched the price of what it cost for News press, digital marketing, billboards, sponsorship advertisement etc. verses what works in your budget from a monetary credit to a gift, to percentile off or chance for a drawing, etc.
- **Increased Engagement and Loyalty Incentives** encourage repeated interactions and strengthen your client relationship. Sometimes you just want to “gag” over a lost client to a silly little promotion by your competitor. Imagine losing a customer over a 12 pack of Chips Ahoy Cookies because they spent over \$100.00. I’m sure we have all been there and asked ourselves, “Where is the loyalty?”
- **Scalable Growth** Structured programs can generate word of mouth marketing. Turn your satisfied customers into active promoters.
- **Clear Cut Rules** (so there is no misunderstanding) – For example, a referral is one that set up an account and spend over \$200.00 on their first order.



Referral Promotion Ideas

- ✓ *Double sided rewards – reward both the referral client and the referrer.*
- ✓ *Clear and Trackable – We talked about this! Have a system in place.*
- ✓ *Simple Participation – Make it easy to refer. Set up referral links that your client can send to other businesses looking for referral perks. Why just settle for client partners.*
- ✓ *Promote Strategically - Highlight the incentives in your marketing materials, invoices, and follow up communication.*
- ✓ *Align with your business goals – Choose incentives that are attractive to clients but sustainable for your business. Make sure in the long run they are protecting your profit margins while driving growth.*

Marco Office Supply Wants to hear from you!!

One of our goals is to begin implementing a referral awards program. The best way to begin is to get feedback from you, our customers. What are you looking for:

Personal Value – A purchase card from a popular coffee shop, shopping venue, flowers, etc.

Business – Credit, cash back, something that befits the entire department or company such as earn “X” amount of referral credits or lunch in the office on us.

Drawing – Can be a product such as a desk top printer with the first round of ink on us or a three-day cruise, etc. Run the promotion for a specific amount of time.

*Please contact **Gina** at gina@marcoofficesupply.com and let us know what would encourage you to become a referral partner. We would love your input in helping us put together our strategy..*