

## Generating Referrals From Clients

Not surprisingly, many professionals find that their best source of business comes from existing clients. Particularly from those clients who have a high level of trust in the provider.

However, few professionals understand how to leverage these client relationships to generate referrals that lead to instructions from new clients.

I want to start by pointing out what this is NOT about. It is not about clumsily asking all of your clients for the names of five people they know.

That might be fine for some B2C type services, but it's usually unsuccessful for sophisticated clients buying complex services.

A better approach pays respect to some important differences.

Firstly, you need to understand that the best time to raise referrals is after delivering great value to the client – such as turning a deal around quickly or reaching a great outcome on a difficult issue.

Secondly, refer to the specific solution or value you have provided. Try phrases like – “Which of your [contacts/clients/ suppliers] might face this issue of [compliance/regulation/bargaining]? How do you think this solution might help them?” You might also want to think if there is a benefit for your client in making a referral, and raise it if there is.

Thirdly, a client encouraging you to “give Sammy a call” is helpful, but it is better if you can ask them to introduce you directly through an email or telephone call or, better still, join you for the initial meeting. The level of involvement from the referral source can have a direct bearing on the success of the approach.

Next, make referrals for your own clients. Think about your client list and your network and connect people who you think could benefit from knowing each other. Not only does it create a reciprocity effect where your own clients will want to repay the favour for you – but it also gives you practice at doing it.

Finally, make sure you follow up on the contact if a client has made the effort to refer you – they won't do it again if you let them down. Remember, it's not just your reputation on the line when you follow a referral strategy. Your referrer's reputation is also at risk with their important networks.

Some clients will want to know how/when you are going to follow up with their contact. Keep your client informed as to how things went, and always say thank you in a meaningful way.

Many professionals won't ask their clients for referrals because they think it is too "sales-y" and creepy ... and that they will damage their relationship with their client by asking.

It might actually be the case that the client is quite relaxed about a referral request and just might want to help out. More people than you realise are happy to help people they like and trust.

So take some time to assess the real risk of undermining a relationship before requesting a referral. You might like to consider three criteria that can help your assessment.

1. If you have a great chemistry with the client, there is a low risk of alienating the client through a referral request.
2. Your performance will most likely reflect on the referrer. That includes the way you manage and communicate with any new client. It might actually help to have a candid conversation with your client to acknowledge the risk of referral and reassure them that you won't let them down.
3. Some clients totally understand the importance of leveraging their relationships in business and may actually do it themselves. Therefore they will be comfortable with requests for referrals because they see it as a natural part of doing business. Look for signs of this during your working relationship with them. Are they experienced operators? Are they straight-shooters who are comfortable with a direct approach?

It's important to understand if you are holding back from asking for referrals because it takes you outside of your comfort zone, rather than the client's comfort zone. Are you judging the likely outcome based on your own sensitivities as opposed to what the client would really be comfortable with.

The key take-away's for you from this lesson should be:

1. There is a systematic approach that can increase your chances of success.
2. Let go of any limiting beliefs.
3. Assess your chance of success before jumping in.