



Making Customers Your Marketing Department

By Genie Fuller
Founder of Winning Referrals, Ltd.

One evening last August I got a phone call from my friend, Sarah. During the course of the conversation, Sarah exclaimed emphatically, "Genie, you have got to go see Seabiscuit!!! It's a true story about this race horse and has a great message—you will love it—just go see it!"

Sarah was a customer of the movie and I was a viable prospect. For new movies, we all refer our friends, thinking only of their enjoyment, not the value to the movie producer, theater, etc. However, when most business people ask their customers for referrals, they somehow forget the value to the prospect and believe getting a referral is about helping themselves. Then the referral falls flat without the enthusiasm and confidence a true endorsement delivers.

The traditional approach of asking for referrals is generally ineffective. It is focused on your objectives. Customers are not in-tune with your goals; they see and hear the world through their own filters. They do not instinctively identify prospects for you, and yet their contacts could become your biggest, revenue-producing asset.

Customer referrals are so important to all businesses that a recent article in Harvard Business Review states:

*"The only path to profitable growth may lie in a company's ability to get its loyal customers to become, in effect, its marketing department."**

But how do you proactively stimulate "loyal customers to become, in effect, your marketing department?"

Many business people who desperately want referrals operate under several erroneous assumptions. They fail to realize that customers are not prepared to endorse the company. Some service providers believe that long-standing customers, who could be referring business, do not, simply because they do not come across viable opportunities. Yet the truth may be that satisfied customers are now taking the service for granted and are not motivated to "sing the company's praises." There are other myths that prevent people from interacting to incite referrals. A couple of them are:

- Customers understand what I do, so they recognize my prospects.
- Customers have experienced my service; they know how to endorse me.

To begin developing your customer marketing department, analyze the current reality. What circumstances prevent your customers from spontaneously referring you business? From a customer's viewpoint, your referrals are not a priority—customers just don't think about your business.

You can coach customers to become your marketing department. Realize to be effective, customers must first be convinced of your commendable service. They also must be able to identify profitable prospects and recognize referral opportunities to spontaneously refer you. To capitalize on your customers' contacts, you should establish a referral generating routine when working with your customers.

Because employees forget to "ask for referrals," you can implement rituals that, over time, become marketing habits. Even though there are more steps in the process, begin now by implementing our top three "Referral Rituals" systematically with your customers.

CFO

Plus LLC

Partners In Growth

Our mission is to provide information and strategies to business owners and managers for improvement in the effectiveness of its business management so that key objectives can be realized.

CFO Plus, LLC

Ted Hofmann - Principal/Senior Consultant

John Morre - Principal/Senior Consultant

Linda Panichelli - Principal/Senior Tax Consultant

1450 Grant Avenue, Suite 102
Novato, CA 94945-3142

Home Office: 415-898-7879

Toll Free 866-CFO-PLUS or 866-236-7587

Email: thofmann@cfoplus.net

jmorre@cfoplus.net

lpanichelli@cfoplus.net

Web: www.cfoplus.net

Making Customers Your Marketing Department (cont.)

Referral Rituals

1. Remind customers of what you have accomplished...
Elevate their perceived value
2. Recap two or three points that describe your important services and the distinctions that differentiate you from the competition...
Give them verbiage that is easy to remember and successful when endorsing you
3. Point out prospects you believe they may know...
Be specific in describing a profitable customer

By employing these three rituals you coach customers to look and listen for potential new business. Take these three rituals and establish a routine for appointments. Make it a practice to review a customer's experience as the normal preliminary conversation on an appointment. In this way, you accomplish the first two rituals—getting the customer in touch with the real value as well as specifying the key benefits so customers are prepared to convey your message. Then, at the end of the appointment, point out one or two target prospects and simply ask the customer who they know in these categories.

When you perform these rituals consistently you circumvent the myths and make customers proud to endorse you. By establishing a routine for customer appointments, referrals are not left to chance. Your employees habitually conduct appointments to garner referrals.

As our Referral Rituals become a positive and instinctive behavior your customers are conditioned to spontaneously endorse you persuasively, just like they refer a new movie.

Referral Rituals will make "loyal customers, in effect, your marketing department!"

* (The One Number You Need to Grow by Frederick F. Reichheld, Harvard Business Review, Dec. 2003)

Genie Fuller is the founder of Winning Referrals, Ltd. and the CEO21 Referral Groups. She has thoroughly researched business referrals for the last 20 years and now trains business owners and professionals to increase revenue through referrals from customers as well as other contacts. Learn more about Winning Referrals at www.winreferrals.com or contact her by phone at 713.572.2578.