

Finding Cash Cows in the MEET Market

Our Top Tips on Building a Referral Networking System that Shows Results

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It is said that everyone knows at least 250 other people. Imagine if you were able to get at least 20 to refer you to 20 potential leads. That's 400 new referrals! Building and maintaining your personal network should be as strategic and carefully executed as every other aspect of your business. Designing aggressive systems and networking programs that make it possible to build on current client bases and generate new leads from business referrals is a cost-effective way to expand your business.

Before you start putting any idea in motion, it's important to sit down and make a short road map of your referral plan. Write down the items you know you need to do first. Create a list of bullet points or write them on index cards. Then start setting up a time frame for each item. Start with building a list of clients, business associates, previous bosses, professional service providers, association friends and neighbors.

Focus on your message. Decide what you want to communicate about your company. Does it have a distinct personality-serious or lighthearted? What makes it unique in relation to your competition? What's the nature of your current target audience? These elements should play an important role in the overall message you create to referral partners.

1. Build two databases. (Clients and potential referral partners). You can use this data to refine information about your networking partners. Best of all, tracking contact information and lead generation sources and assembling it into a useful database-helps you identify your top referral sources and who to focus on with rewards and reciprocation.

2. Contact clients often. Solid client information is the

foundation of every effective referral program. It's vital to know who your best customers are and what, when and how often they buy. Two of the most effective relationship-building tools in any entrepreneur's arsenal are direct mail and e-mail to in-house lists. With a comprehensive customer database, you're ready to conduct an ongoing referral campaign targeting current customers. You can set up a tiered program and reach your best customers more frequently, thereby adding value where it will be most appreciated. Be sure to reward customers with any referral leads they offer that are viable prospects. Build solid, measurable, trackable results.

- Lay the foundation;
- Relationship development - build a recognition or thank you process;
- Develop the referral;
- Master the follow-up; and,
- Continue management of new referrals.

3. Joining Forces/ Networking for New Referrals: This portion of the referral-base plan should include building a networking system to help foster and cultivate leads. Begin to make contact with the associates you have listed. Agree to have a reciprocal referral relationship with the ones you feel you can work with best. Through a referral-base strategy you will help to grow your contacts quickly. There are many professional and web-related resources to help you learn more about building your own program. Below is a review of the basic outline to help you establish your own system. Know your referral partners interests and goals.

- Become source-centered/ prepare new sources for successful endorsements, perhaps through colleagues or

- other business offices;
- Define ideal client profiles, and;
- Establish an expectation for referrals.

4. Foster ongoing relationship building with the sources that seem to be working. What does that mean? ...It seems obvious but many people don't do it. Create ways to keep in constant contact and find new venues to continue building the relationships that you have identified as good referral sources whether they are clients or new networking contacts. Make sure it's a two-way street and that your business connections run both ways. Referring clients must make business sense to both sides.

Be sure to track your progress on charts you set up in excel or other contact management programs. Evaluate your progress and which sources provide the "cash cows." Use incentives to motivate people to refer you. You will be surprised on how quickly your referrals turn in to viable prospects that you never could have imagined earlier. It is a cost-effective and valuable ways to meet new business contacts and grow your business.

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