

# **REFERRAL MARKETING**

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MISTAKES?**

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# Referral Marketing – Are You Making One of These 10 Common Mistakes?

The best way to gain customers, create valuable contacts and expand your network is through referrals. There is no better marketing than when a customer or colleague tells others about you.

While it's not hard to get referrals, many of us miss valuable opportunities by making common mistakes. Here are ten of the most common mistakes people make when seeking referrals.

## 1. Not Asking

The biggest mistake is simply to not ask. Many people don't have the confidence to ask or miss the opportunity entirely for some other reason. You may be afraid you appear needy or that you're imposing on other people.

What you forget in this case is that you're not only benefitting yourself. You're benefitting the other person as well by offering your help and services. You're also building a network of like-minded people who can help each other in the long-term.

## **2. Appearing Desperate**

When you ask for referrals, you need to avoid looking desperate. It shouldn't appear that you're begging or that you only want something out of the other person. Instead, focus on their needs. Pay it forward and do a favor without expecting anything in return.

## **3. Moving Too Fast**

Asking for referrals is all about timing and you can mess it up if you ask too soon. If you've just met a person and they don't yet understand the value you can offer them, they may feel imposed upon if you start asking for referrals. It usually works better if they can see the benefits you offer first.

## **4. Moving Too Slowly**

On the other hand, you could move too slowly. You might miss the crucial moment to ask and then it's gone. It's common for people to wait too long to ask for referrals. As the days pass, the memory fades in your potential referrer's mind. There's a sweet spot that's the perfect time to ask for a referral.

## **5. Forgetting to Follow up**

After you've referred or been referred to someone, it's important to keep in touch. Why let a good connection die? Many people make the mistake of losing touch with people who could give them many more referrals in the future. You need to stay in touch, update your connections and remind them of the valuable relationship you share.

## **6. Giving the Wrong Message**

If you make the wrong impression on the people you meet, they won't understand what you offer or what you need. The result is that they won't give you referrals or they'll refer the wrong people to you. You need to clearly communicate what you offer in terms of benefits to customers, and you must make sure your potential referral sources understand those benefits.

## **7. Letting Yourself Be Misrepresented**

The same goes for your referral sources. They need to understand what information to convey about you to potential new contacts. If they misrepresent you, you'll lose valuable referrals or get the wrong kind. Part of a good referral marketing system is to outline the key points you want your contacts to communicate. You can even go so far as to write suggested speaking points they should say!

## **8. Failing to Identify Your Ideal Referral**

It's nice to build up a list of contacts, but this isn't how you get good referrals. To get good referrals, you need to identify your perfect prospect. This is the type of person you hope to meet through your referral marketing. With all of the effort you put into meeting people, it's not worth it to build a list of contacts that aren't useful to you. Also, your referral sources won't know who to refer to you, and they may end up thinking they don't know anyone.

## 9. Failing to Differentiate

Likewise, a major mistake many people make is failing to differentiate themselves. You need to identify what sets you or your business apart from others. This is the true value you offer, and it needs to be communicated upfront. Why would a contact recommend you if you're just like all the rest?

## 10. Failing to Plan

Referrals don't just happen. If you go out and meet people, it's likely that you'll gain a few lucrative contacts. But it will mean a great deal of networking with little result. Just like your business and marketing strategy, you need a well thought-out and organized plan for getting referrals. This is how you make referral marketing successful.

**If you're making any of the above mistakes, stop and reassess. It may be time to go back to the drawing board and rethink how you're going about looking for referrals. Make changes to your referral plan and see what results you get.**