

Referral Power!

Taking the Awkward Out of the Ask

Consistently and Constantly...

Everyday, we all rely on the advice of peers to make buying decisions. In fact, *The Public Pulse* reports that most Americans count on their friends for information on a myriad of issues, ranging from what movies to see, to buying a new car to, of course, which financial products to purchase. We seek out and take the advice of others because we trust the credibility of the person passing the word along. The power of word-of-mouth makes or breaks deals daily.

Regardless, *The Insurance Marketing Resource Center* recently conducted a survey with shocking results.

Survey says...

***62% of Agents** said they get at least **25% of their new business from referrals** (does that seem low to anyone?).

***Only 16% of Agents** have an organized system for generating referrals, even though **49% said the quality of referrals they receive was good to excellent.**

***Only 46% have a “reward system”** for customers who give referrals.

Appointments are the cornerstone of every insurance producer's career. The reason some Agents struggle is not from an inability to sell, but rather from a lack of thought given to generating and organizing referrals.

To get more referrals, first and foremost make sure your business is worthy of being referred. You need to constantly communicate, be available, and follow through. Regardless of how many times or how nicely you ask, if your policyholder does not feel they are receiving quality service, don't bet on a referral. Secondly, it is essential that your customers and prospects know your goal is to reach and work with people like them. Tell your clients you enjoy working with them and your goal is to serve others in the same professional manner. This might be an easier approach for you, as it focuses more on the customer than on you.

By planning, organizing, and implementing a system for asking, you are able to harness the power of referrals and watch your business grow!

Often, Agents are unsure of when and how frequently it is appropriate to ask a customer for a referral. For the best results, you should realistically ask several times. The following are ideas of times and places to ask for that all-important referral:

*** From the Get-Go:** Don't hesitate to ask at the first appointment. People do not have to make a purchase to refer you. They only need to feel confident in you, your service, and the product.

*** At the Time of Sale:** Ask while you are wrapping up the final paperwork on the transaction. Customers are still focused on you at this point, but soon they will be moving on to the next issue in their lives.

*** When You Deliver:** People are usually in a good state of mind when you deliver their new policy. This is an excellent time to leverage yourself.

*** While Saying Thanks:** Ask for referrals in your “Thank You” notes. Gentle reminders keep you in your customers' thoughts.

*** When Following Up:** Calling to follow-up and touch base with your policyholders is a good way to keep the coverage in force and an opportune time to ask for referrals. Also, add a referral reminder to any correspondence that you send to your policyholders.