



## Article of the month:

### 30 Client Referrals or More -- How to Get Them!

Do you get all of the referrals you want? Most professionals don't because they're afraid. Afraid they'll hurt their client relationships. Afraid they won't cultivate any new business. Or afraid they'll appear cheap or sales like.

It's an imagined psychological line in the sand you're afraid of crossing with people. It's in a concept I teach called "D.V.", or Damage Verge. You're frightened that by bringing up the word "referrals" you'll push your clients, cross that line, and create damage.

Let me give you an example.

Of 5,200 investment and insurance professionals surveyed earlier this year by my firm Strategic Impact! An overwhelming 79 percent said they rely on referrals as their primary source of new business. Eighty-three percent of those professionals had at least 100 clients. Yet the median number of referrals they received from their clients over a 12-month period was just 6 to 12! That means that, on average, only about 10% of their clients were generating referrals. That's horrible! And being passive causes it.

If clients are your best source of new business then the figure indicates a tremendous problem. The question is why? My answer is Damage Verge: A psychological barrier where you imagine the worst possible thing will happen if you ask a client for a referral.

Before you can even think about how to bring the subject up, your brain kicks into warp speed and says, "I can't ask them for a referral; they might get mad at me. . . feel upset. . . be uncomfortable. . . [insert your excuse here]. . . or worst yet, they'll just say, 'No!'"

What I'm referring to is nothing more than your conscious mind gets into the act, and you wrongly start envisioning that worst-case scenario coming to life. You see yourself offending someone, being presumptuous, asking the wrong way, feeling embarrassed, and finally ruining a prized relationship.

Four ways to break through

1. Be more in tune to your client's communication style. The Damage Verge is different for every client and customer, depending on that person's communication style. Still other clients get instantly turned off, regardless of what you try to discuss with them. Understanding your clients' varying styles of communication and receptiveness to your goal of building more business will go a long way in cultivating referrals.

2. Know how to 'ask' for referrals. Nothing evokes more fear in professionals than the thought of sitting down with a client and "asking them" for referrals. So don't! That's right—don't ask for referrals. Focus on earning personal introductions from clients. The key is that you must test and confirm with every client that they are finding value in you and your work. Use a monthly meeting, lunch, or quarterly review to touch base. I ask one simple, very powerful question: "Mrs. Client, tell me: How am I doing in my relationship with you?" The answer allows the referral door to swing wide open—or temporarily close tight. Either way, you've got a much better read on the relationship.



3. Practice with your C-level clients, and then move up. Practice on relationships where the stakes aren't so high. Take some of the pressure off yourself by building self-confidence and enthusiasm—and seeing results—with B-level and C-level clients. It's highly unlikely that you would ever offend someone who has confirmed your value. But, if you do upset someone, let it be a C-level client that wouldn't be irreplaceable if they should take their business elsewhere.

4. Give clients a reason to share you with others. I believe in the 80/20 Rule when it comes to client referrals. It says that 80 percent of your clients utilize only about 20 percent of the services you have to offer. One way to counter this is by bundling current services as "value-added" extras—this shows appreciation for your current client relationship while simultaneously giving your clients more reason to suggest your services to others.

Remember, you want to introduce the subject of referrals with your clients without adversely affecting the relationship at all. You want to get near their damage verge, but you must never cross it. It's like stepping near thin ice—without ever falling through. Stay in the area where the relationship provides enough support for what you're saying—and don't overload it.

#### About the Author

Daryl T. Logullo is the Founder of Strategic Impact! A referral consultancy located in Vero Beach, Fla. He concentrates heavily on alliance and referral building strategies for today's professional.