Information and planning steps you can use to make the most of...

Your Touch Point Advantage

ASKING FOR REFERRALS

A referral from a current customer is perhaps one of the best leads an agency can have. Because of this, most agents identify customer referrals as a primary source of new business. On some occasions these referrals happen on their own. Someone calls the agency and asks for quote or has a question because one of your current customers suggested they call. When it happens, that's great.

But if referrals are of primary importance to agency growth and profitability, then how can you ask your customers for them in ways which are least likely to make them uncomfortable? Here are some suggestions:

HOW CAN YOU ASK YOUR CUSTOMERS FOR REFERRALS IN WAYS WHICH ARE LEAST LIKELY TO MAKE THEM UNCOMFORTABLE ?

Timing:

It's often said that timing is everything. This is especially true when it comes to asking for referrals.

Here are some of the best times to ask:

- When you help them settle a claim to their satisfaction.
- When you help them cover a risk they are especially concerned about.
- When you complete a coverage review that goes especially well.
- When a policy price decreases for any reason.
- When they go out of their way to express satisfaction in how they have been treated by a staff member.
- When they give you high marks on a customer satisfaction survey.

Testimonials:

For most customers considering a product, hearing what other people have to say about that product or service has always been important. And it's especially important in today's

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world of message overload and constant selling.

Testimonials you receive from your customers can play a key role with referrals in several ways:

- First, if someone is willing to offer a testimonial in the first place, they will probably also be open to the idea of providing referrals. The key is making it easy for them and reassuring them that you won't become a "nuisance sales call" to the people they refer to your agency.
- Next, the words of a testimonial itself along with the fact that they're being said by another satisfied customer can help reinforce someone's decision to recommend your agency.

As you're asking a current customer for referral make certain they have an opportunity to see testimonials from others. You should be making these available on your agency website. But if not, send some directly to them as you ask them to consider recommending your agency.

Talking:
One of the strengths of the agent customer relationship is that while talking about the details involved with insurance there is usually plenty of opportunity for personal conversation and establishing a rapport with customers.

This could provide you with the opportunity to ask questions which could easily lead to a referral.

Here are some examples:

- First, you might ask, "Are we taking care of everything you need?"
- Or, "Tell me how our agency is working for you."
- "Is there anything else we can do for you?"
- "We're asking all our customers how we're doing."

If the reply is negative this is your opportunity to identify and address whatever problems they may have. If you are able to successfully resolve the problem ask them again later – not right away.

If the reply is positive, or even enthusiastic, this is a great time to ask for referrals.

Depending on the circumstances here are several ways you might ask:

- "Do you know anyone else who could benefit from our services?"
- "Is there anyone else you know who's in a similar situation that we could help?"
- "Do you know anyone who needs help or is maybe paying more than they should for insurance?"
- "Is there anyone in their family who is having trouble with their insurance?"
- "Referrals are very important to the growth of our business, and people like yourself are our best customers. Is there anyone you could suggest?"

It's important to have a plan. Know who, when and how you will be asking for referrals.

Here are some possibilities:

- Ask for referrals on a safe and selective basis only.
- Create an active reward based referral program.
- Include a self-addressed stamped reply card in customer mailings.
- Include a line specific to referrals in your e-mail signatures.
- Ask for referrals as a part of your website, newsletter or other communication vehicle.
- Create a form on your website asking for referrals.

Thanking them:

If someone has recommended your agency, they've extended themselves personally, put their credibility on the line and take a proactive step on your behalf. You must acknowledge this and thank them for their effort.

Some suggestions:

- Send a personal handwritten note.
- Make a personal phone call.
- Send a gift or gift card if it's legally permissible.
- You can take this to the next level by making them preferred customers.