

# The Referral Playbook

Six steps for more referrals





(INTRODUCTION)

## **No referrals, no business.**

This six-part guide should serve as a resource that will ignite ideas and help you build a solid foundation of best practices and habits for generating leads from referrals. Simply put, developing a business based on referrals is not just important, but mandatory for a successful career in real estate. The agent who ignores the need to promote business by referral may survive, but the reliability and quality of incoming leads will be severely compromised.



(STEP 1)

## **Are you sending mixed messages?**



Completely remove yourself from your world and think from the outside-in, rather than the inside-out. What do your clients see, hear, think, and assume about you, your services, your brand, and your company? Take a deep look in the mirror and assess your current situation.

1. Do clients see someone who is available and eager to take on new business?
2. Do clients see someone who is passionate?
3. Do clients see someone who cares?

4. Do clients see a winner?
5. Do clients see someone who is organized?
6. Do clients see someone with confidence?

If you answered “no” to any of those questions, here are a few solutions:

## Remove the word “busy” from your vocabulary.

There’s not a single good use for it. When you *think* “busy,” your brain stops taking on new challenges and opportunities. When you *say* “busy,” your sphere will stop referring business to you, because they don’t want to make you more busy. **By most accounts, the only person who wants you to be busy is you. We don’t want to cause anyone else to be busy, we want them to be happy, available, active, content, and excited.**

*Best practice: From now on, replace the word “busy” with something else. When someone asks how business is going, say “exciting” or “great.”*

## Be passionate

When someone meets you, do they leave thinking, “Boy, hopefully he gets hit by a bus so his day gets better?” People want to do business with agents who love what they do. Make a conscious decision to be exuberant about what you have to offer.

*Best practice: The top-producing agents possess a level of passion that is on a different scale than the average agent. They have the same skills, tools, advantages, and disadvantages as every other agent, but their passion is the single biggest differentiator.*



(STEP 2)

## Ask thoughtfully. Ask often.

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This is the hardest part of the equation. For most of us, it’s not part of our DNA to go around asking for help, and in essence that’s exactly what’s happening when you seek referrals. The funny thing is that we love to go around helping people. We often help people who don’t even want our help. Helping is comfortable, asking for help is *uncomfortable*.

So what do we do?

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## Change your words. Don't ask for help, offer it.

**Harder:** *"Hey Steve, do you know anyone who might be thinking of buying or selling a home in the next year?"*

**Easier:** *"Hey Steve, I'd be really happy to help anyone you know that might be buying or selling a home this year. Do you know of anyone?"*

## People don't need a car salesman, they need a car.

**Harder:** *"Hey Sarah, I specialize in investment property, do you know of anyone who needs an agent who specializes in that field?"*

**Easier:** *"Hey Sarah, I just saw a home come on the market that would make a great rental. If you know of anyone who wants investment property this would be a great opportunity."*

**Easier:** *"Hey Sarah, I have a couple clients looking for rental properties to buy. If you know of anyone who is tired of being a landlord let me know. Do you know anyone with rentals?"*

**Money Maker, at the end of every conversation:** *"Oh, by the way, I just showed a great property for a first time home buyer. If you know of anyone wanting to get their first home you'd be doing them a huge favor by letting them know about this deal. If you know of anyone give me a call."*

## You don't have to specifically ask for referrals.

Sometimes you can just offer a helping hand. By helping people with no expectations of reciprocity, they will help you in return.

**Easier:** *"John, is there any way I can help you in your business or with something your passionate about?"*

## Play to the ego.

We all know people who like to have their egos boosted. Don't be afraid to try that angle: "

**Easier:** *"Michelle, you are so connected to all the right people and they all trust you. If I gave you some cards would you give them out if someone needs help with real estate?"*

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## Further reading

Lastly check out Joe Stumpf's, **By Referral Only** ([www.byreferralonly.com](http://www.byreferralonly.com)). Stumpf has taken the referral business and made a science out of it.



(STEP 3)

## Add a referral tagline

This is easy and it will pay dividends over time. If you're not including a referral tag line in all of your marketing materials you should start today. This includes, but should not be limited to:



- Business cards (see above example)
- Email signature
- Website
- Postcards
- Letterhead
- Newsletters
- License plate frame
- Name tag
- Bios on social media networks (and posts, when possible)

## Example taglines

- “A referral from a friend, past client, or colleague is the highest compliment I can ever receive”

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- “I’m never too busy to accept a referral”
- “I love referrals”
- “Because I work by referral, I have more time for my customers”
- “Because my business is built on referrals, please consider me the next time you talk to someone who needs a real estate professional”
- “Please consider me the next time you know of someone who is moving”
- “I treat every referral with the utmost care”
- “Things I love in this world: family, friends, fun, and referrals”



(STEP 4)

## Choose your targets

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Find and care for your best referral sources. Realize that some people will never refer you because it’s just not in their DNA—you’d be just as successful asking them to grow taller. However, some people are like bird dogs who go out and find buyers and sellers every day and are willing to refer you. Once you know who the bird dogs are, really focus on taking care of them. You may already have an idea of who refers you and who doesn’t, but try considering the following activities to narrow it down even more:

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## Start a discussion

Next time you're with some friends—maybe friends who you would expect to refer you but haven't—simply ask them how they feel about giving out referrals in general. This is good dinner conversation, and you'll learn a lot about what scares them about referring. Later, you can turn the discussion toward helping them overcome some of those fears.

## Figure out who's who

Here is a great little trick for identifying the good referrers: Next time you need a product or service (be honest, don't fake it), ask for a referral on a social media site. Facebook typically works best because these are your friends, family, and clients, the target of your sphere for referrals.

Try posting this status update: *"Anyone know of a good landscaper (or attorney, accountant, etc.)?"* You'll see the people who are passionate about referring come out of the woodwork. You can use this trick in person or over the phone, but going online gives you a larger sample. Now you can work on getting these people to be evangelists for you.



(STEP 5)

## Run with a wolf pack

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Establish a small group of professional contacts in industries that tie back to real estate, such as a divorce attorney, contractor, accountant, mortgage broker, and banker. Once you've assembled your wolf pack, let them know that you're looking for referrals and that in turn, they can expect you to refer your clients to them. Make sure these professionals know that they're the only people in their respective fields that you will refer, and that you'll actively seek out new business for them.

- Identify these people or companies
- You need to know these individuals on personal level by spending time with them over lunch, coffee or evening drinks
- Let them know you are willing to really work hard to refer them
- Ask them if they would be willing to do the same
- Get to know their services well, so that you'll have a good understanding when you're referring clients

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(STEP 6)

## Pay it forward

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When you receive a referral, do something thoughtful and genuine for the person it came from. This does not necessarily mean you have to spend money. A hand-written thank you card, a quick stop by their work or home, flowers, candy, a balloon animal ... it can be anything. What really matters is that you put thought into it. Those bird dogs we talked about earlier? They want to be recognized, and if you can do it publicly that's even better.

Follow up with the person who sent you the referral often. Let them know how things are going with the client they sent. If it didn't work out, be honest and let them know why. Don't leave them wondering what happened. And for gosh sake: Take care of the client, or you can assume it will be your last referral!