Your Guide to Creating a Stellar Referral Program



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A referral program is one of the best ways to get new customers for your business. By sharing information with your customers and giving them incentives in the form of discounts, you'll be able to establish a trustworthy bond with them — which can lead to future sales.

There is an abundance of different types of referrals programs that provide specific benefits such as incentivizing more engagement on social media or driving traffic back to your website and websites related to you. For your company to stay competitive in this day and age, having a referral program is almost necessary. The online space is flooding with companies looking to make a splash, but this new way of marketing and advertising offers your company a way to reach consumers in a

positive, noncommercial manner.

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How does referral marketing work?

Referral marketing works when potential customers will choose your brands based on the opinion of your prior consumers. You will be referred by your customer to form a relationship with your customer. Thus, you will get a chance to build rapport and also ask for feedback.

You should perform research before launching your referral marketing program. You also need to analyze your target audience and their interests. You should figure out the best way to reach them and make them know about your brand and products. Your referral marketing campaign should be catchy, engaging and easy for your potential customers to share with their friends. They should know exactly what to do to participate in the program.

Many referral marketing campaigns are shared on social media platforms regularly. You can further get the audience through the same and incentivize your customers by sharing it on your socials.

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When should you start investing in referral marketing?

Here are some signs you should start a referral marketing program:

1. **You offer a great product and service:** If your product and service are great, optimized and competitive, then

you should start investing in referral marketing to attract new customers. Most providers believe that referral marketing is based on goodwill and there are no concrete reasons behind it.

2. **Social and online presence:** Since referral marketing is based on your customers and their contacts, having a social presence will help you spread your brand more efficiently. If you are not sure about how to get started with your social media outreach, then you may hire a social media marketing expert.
3. **When your customers are satisfied:** If your customers are satisfied, then they will do anything to share their experience and thought. You can take advantage of this by building your brand and producing a better product.

As you decide to accommodate a referral program in your marketing, you might be tempted to opt for B2B referral marketing, since it is more effective. But there are significant differences between these two types of referral marketing, which will result in no less than a tenfold increase in your business. The main difference between B2B referral marketing and B2C referral marketing is that B2C focuses on end consumers while B2B focuses on the companies that are in the same field as yours.

The main reason behind this is that B2B requires a more solid relationship with the client, which can be achieved only if the company and potential clients are similar. The first thing you should do, if you choose to go for it, is to create an offer to target companies. Give them a discount or some kind of upgrade so they will promote your product by giving it to their customers. Unlike traditional marketing, it will not cost you anything, and you will gain even more profit because of these referrals.

The second difference between B2B referral marketing and B2C referral marketing is the need for personalization. In a B2C situation, the customer is an individual and it is very easy

to personalize a message for them. In a B2B scenario, the customer is an organization and will most likely have many employees.

Tips to keep in mind when you start your referral marketing program:

- **Creating an easy pathway for referring:** People are more likely to refer if they can do it easily. Ensure that your referral process is simple and easy by creating an automated, self-service referral form.
- **Get them to actively participate:** One of the best strategies to encourage referral marketing is by getting your customers to make referrals on their own. Offer rewards and discounts for successful referrals.
- **Using social media:** Social media is one of the best ways to spread the word about your business and services, and it's also a great place to create a platform where recommendations can generate more interest in your business. Share your customers' positive reviews and experiences on social media platforms such as Facebook, Instagram, Twitter or LinkedIn.
- **Use automation:** People are becoming more and more dependent on technology. Automating your referral marketing campaign will ensure that you can engage with your customer base even when you're not available. This is a great opportunity to generate referrals through smartphones and mobile devices.

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