

How To Turn Your Customer Base Into New Revenue



E-BOOK



With word-of-mouth marketing driving billions of dollars in sales every year, it's no surprise that it's one of the most coveted sources of marketing. And when it comes to consumer relationships with brands, 74% of consumers identify word-of-mouth as a key influencer in their purchasing decision. In fact, the best source of new business is a referral from a satisfied customer. So how can brands turn their customers into one of the most powerful selling and marketing tools in their growth strategy?



According to the Wharton School of Business, 83% of satisfied customers are willing to refer products and services, but only 29% actually do. Don't leak referrals that could lead to new business, make the ask! Import your contacts from email lists, CRM or marketing automation software to make sure that everyone who interacts with your brand is given an opportunity to participate as an ambassador in your referral program - without having to sign up.

Promote the program or campaign on your website, social media, and email marketing; make the program as visible as possible. One of the keys to running a successful referral program is pretty simple: talk about it. Mention it to every customer you have and let it be known at every event, sales demo, and even print business cards that mention your referral program. Here are some simple tips to get you started:

- Display your referral program prominently on your site's homepage
- Include referral program call-to-action buttons or links in all your email marketing efforts
- Dedicate a landing page that explains how your referral program works and optimize for SEO




Reward

YOUR CUSTOMERS


Even if your customers are fans of your product, they may not want to tell their friends about it without an incentive. By defining the incentives and rewards for customers who refer their friends to your business, your referral program will drive engagement, which ultimately leads to sales.

So, how can you determine what will drive customers to share your brand? When it comes to incentives, there are two primary types: single and dual-incentive. While a single-incentive structure only gives a reward to the original referrer if their friend becomes a customer, a dual-incentive structure gives a reward both to the referrer for bringing in a new customer and the referred for becoming a customer. Each of these two systems has a particular strength that you should consider when choosing between them.


Make the sharing worth it - the reward you are offering should be incentivizing enough to make your customers participate. Whether it's recurring monthly commission rewards or X amount in cash, a worthwhile reward will always create momentum around your referral program. The payout needs to match the effort it takes for one of your customers to garner a referral. Here are best practices to keep in mind as you develop rewards for your referral program:



Offer a reward that is incentivizing enough to make your customers share.



Automate reward applications, like PayPal, Tango Card, or Dwolla, for a seamless approval process.



Clearly communicate the rewards process for brand ambassadors to gain access to cash, points, rewards or swag.



Measure

YOUR RESULTS

Referral programs should be simple, intuitive, and allow customers and fans to share with one-click. Leverage intelligent URL tracking to ensure minimal effort for your ambassadors. Just remember, the less work your customers have to do, the more likely they are to engage and share.

By continuously monitoring and measuring your referral programs, you can do more than just ensure that you're rewarding brand ambassadors; you can improve your overall marketing strategy based on brand ambassadors' activity. The process of turning customers into brand ambassadors never ends; you should always be improving and changing your referral marketing strategy.



BONUS TIP: Click [here](#) to check out the KPIs of Referral Marketing Worksheet to take your strategy to the next level.

The transition from customers to brand ambassadors is a huge step in your marketing strategy. Once you have successfully started a referral program, you have started a cycle that not only brings new, high-quality customers to your brand, but you have an extremely valuable source of information to continue growth and drive new revenue.