

 Ambassador

REFERRAL MARKETING BY THE NUMBERS

# Solar Power & Energy

A deep dive into the results Ambassador customers see from referral marketing technology



**A report** from the Solar Energy Industries Association revealed that the cumulative number of solar installations in the United States had eclipsed 1 million for the first time. During that span, solar power accounted for 64% of all new electric generating capacity in the United States.

Simply put, solar energy is on the verge of going mainstream. And, based on the results that Ambassador's solar energy providers are seeing from word-of-mouth, some of that momentum is due to the power of referral marketing automation.



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## Does Referral Marketing Make Sense in the Energy Industry?

When it comes to word-of-mouth, one of the challenges with the solar industry is its lengthy sales process and installation timeline. After all, if a referral comes in, it might take 60 days to close that customer and even longer to actually install the new solar system. As a result, it can take 90 days or more for a referral incentive to finally pay out.

On the surface, that might lead you to assume that referral interest and activity would be limited. But our data tells a different story. In fact, after studying our solar customers' referral activity over the last 12 months, we found that each solar business was generating an average of:



**3,238**

Referral Link Shares



**\$271,717**

New Revenue Generated by Referrals



**10x**

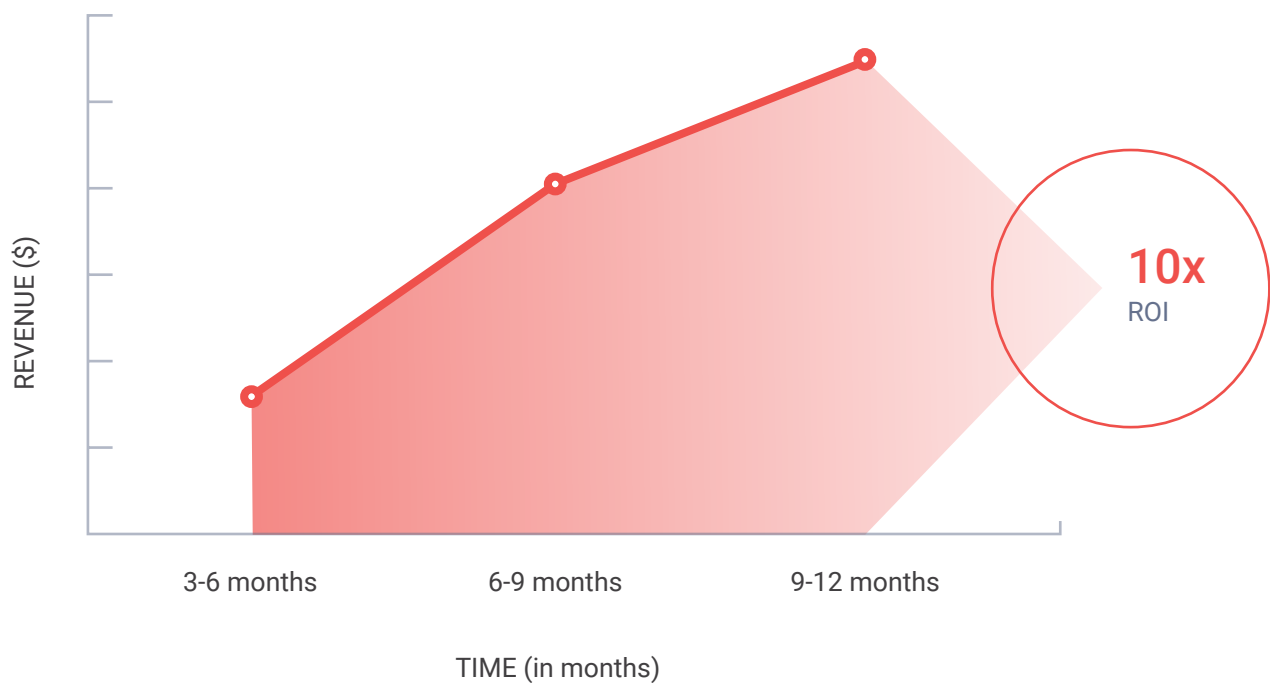
Average Return on Investment After One Year

**Key takeaway:** These numbers are particularly impressive when you consider that most of the brands in the cohort we studied are mid-market businesses. For those businesses, generating more than \$271,000 in new revenue – which represents a 10x ROI on average – is powerful. Additionally, data across our platform has repeatedly shown that the longer a referral program is in place, the easier it is to scale results over time.

## The Power of Time with Solar and Energy Referral Programs

Building off of the previous section, we also examined the trend lines of our solar customers' revenue growth. Did referral revenue spike near the end of the first year (after enough time had passed for the program to grow and mature)? Or was referral activity high initially and steady over time?

Not surprisingly, revenue numbers were almost non-existent out of the gates (months 0-3) – a reflection of the industry's long sales and installation cycles, and slower referral mechanics. Over the next three quarters, however, revenue numbers accelerated precipitously. Here's a chart to illustrate that growth:



**The takeaway:** As we mentioned earlier, based on this cohort's average investment in referral marketing, those revenue numbers represent a 10x ROI after the first year. While revenue was slow initially, the sharp spike in the second and third quarters of the program illustrate the value of giving a referral program – particularly a solar or energy referral program – time to mature.

Want to find out how Ambassador can help your solar energy business drive revenue growth through referral marketing technology? [Click here to schedule a demo](#) and find out how we've helped brands turn customers, partners, and re-sellers into cost-effective revenue generators.

