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What's the best way to follow up with leads and referrals?

[Effortless Networking, December 12, 2005]

Do you know what the best way is, to follow up with a lead or a referral?

Before answering the question, let's start with a distinction, because leads and referrals are two different things.

A "referral" is someone who has found out about you and your business through a friend or associate (from someone they trust). The referrer typically knows you and/or has first-hand knowledge of your products or services, and enthusiastically tells others about you because they like (or love!) what you have to offer.

For example, when you recommend your favorite restaurant to a friend, you're giving the restaurant a "referral". Or when you urge your sister to contact your financial advisor for help and advice on the best way to manage her money, and you go on at length about how this financial advisor has helped *you*, you're giving your financial advisor a "referral".

A "lead" is a name and contact information you get from any source; such as, business cards you collect at your trade show booth, or names people give of others who may be interested in what you have to offer. A "lead" knows little about you (if anything), and certainly hasn't had anyone rave to them about you.

So, for example, if you give your financial advisor your sister's name and contact information, and never tell your sister that you did so, or how good this financial advisor is, or that she should call the financial advisor even if he doesn't contact her, you're essentially giving your financial advisor a "lead".

As a business owner, which one would you prefer: a lead or a referral? And are you currently mistaking one for the other?

So back to the original question: given the difference between leads and referrals, the way you follow up with each will obviously be different.

Following up with a "lead" is like making a cold call, since the "lead" doesn't really know you. For more information on cold calls and how to approach "strangers", check out my favorite sales book, "The Accidental Salesperson". Part 3 of this book covers this information.

Here's the link to the book: <http://www.effortlessnetworking.com/resources.html#sales>

Following up with a "referral" is different.

Ideally, your "referral" will call *you*!

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Within the last month, two different "referrals" called me, wanting to work with me.

The first person was referred to me by a past client. By the time this person called me, she was ready to work with me. She already knew from my past client how I worked, the kinds of results she could expect to get from working with me, what *she* needed to do to get the most out of our work together, how much I charged, etc. So literally, all I had to do was ask this person when she wanted to start!

The second person was referred to me by a business owner, with whom I've been talking about collaborating on certain types of projects. Although we haven't yet established our business partnership, we have spent a lot of time understanding each other businesses and ideal client profiles. So when the second referral called me, he was almost ready to work with me. By the end of our conversation, once I had answered all his questions and addressed all his concerns, he too scheduled an appointment to start working with me.

So... what do you think allowed these "referrals" to come to me?

And how can YOU cultivate relationships with people so they send you good quality "referrals" (not "leads") like these?

If you can't find the answer in these examples, or want more ideas or information on how to cultivate and encourage your referral sources, here's a book that can help: "Business By Referral".

Here's the link to that: <http://www.effortlessnetworking.com/resources.html#bizbyref>

My point is this: if you can understand and experience for yourself *exactly* what it takes to give good quality referrals to others, you can use this first-hand knowledge and information to help and make it easy for others to give *you* good quality referrals.

If you found this article useful, and want to receive future articles and resources on business networking, go to <http://www.effortlessnetworking.com/freeguide.html>

Till next week,
-- Sri

Srirupa Dasgupta helps business professionals improve their effectiveness in the areas of business networking and personal productivity.

Her products and services can help you to:

- Be more productive and effective at what you do, without getting overwhelmed or stressed.

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- Improve interactions and strengthen working relationships with key people around you.
- Build strategic relationships to get the support you need to sustain your success.

Sri also offers free eCourses and self-paced programs to help people help themselves.

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