

There's nothing more powerful than a satisfied customer...

Referral marketing is the most effective way to increase your sales. It's simple: **If you provide good products or services that people are already buying from you, then they will tell others of their experience.** It's human nature to tell others of good things we discovered and caution them against repeating our mistakes. Why? Unfortunately, in today's marketplace, there are so many companies providing poor service and poor products. We all have been burned at one time or another by companies that operate this way.

When satisfied customers tell others, they are in effect creating a referral for your business. **There will already be a small level of trust because of the recommendation of the original, satisfied customer.** That is a HUGE advantage for you as a small business owner.

When a satisfied customer refers another to your business, you are getting a customer who:

- is easier to close,
- has fewer complaints,
- is more loyal,
- remains a client longer,
- and is more trusting.

Most businesses don't get enough referrals because of one obstacle - **they don't ask for them!** Your customers want to refer new business to you, **BUT**, you must have a lucrative program in place that rewards them for doing so. ***Relying on the customers "Word of Mouth" referral simply isn't enough!***

Here's a sure-fire method of creating referral business: Create a VIP Gift Card program. Here's how it works...

Design and print a 4X6 color, glossy postcard. On the front of the postcard, you'll want your logo, some attractive artwork, and the words "VIP GIFT CARD" (see next page for a sample). On the reverse of the card, you'll want some simple text letting the recipient (referral) know that they're receiving this card because they are a friend of a valued client and are entitled to a special offer or discount for a first time visit. You also will need an area on the back of the card where you or your employees can write the referring customers name on the card **BEFORE THEY LEAVE.** This way, you can track who sent them.

You'll want to give this current customer at least 5-10 of these cards. So, what's the incentive for handing them out? Well, that's up to you. However, it must be **EXTREMELY** lucrative. You'll have to determine what new customers are worth to you. One salon we've helped with this program (see samples below) offers a \$50 gift card for 3 referrals and a \$100 gift card for 5 referrals.

The bottom line is that even if every other customer you currently do business with only refers one new client, you'll grow your business by 50%!!

Here's a good example of a properly executed VIP GIFT CARD PROGRAM:



This is the front of a typical VIP GIFT CARD that get's results.

NEXT PAGE – Rear of the card >>

The rear of the card must have these elements to be effective:

Someone thinks you've got a lot of Moxie...

*Please present this gift card at your first visit and receive
\$10 off any service (of \$20 or more).*

*In case you haven't heard, we specialize in fabulous color and trendy cuts
you'd expect to find in the higher end salons of New York and L.A.*

Referred by: _____

Stylist: _____

New Client Name: _____

*Moxie Salon
16 E. Main St. Rising Sun, MD
410.658.4455 www.moxiesalon.net*

** Offer valid with first time clients only **

Tracking: The second key to this program is TRACKING! You must have a fair system of tracking these referrals. If you have a point of sale customer database, enter these referrals in the NOTES field of the client record or somewhere in the client record where they can be credited for it. If you don't have this in place, use an alphabetical file card box with dividers to track this. This is very important. You want to honor your agreement with your customers and reward them accordingly.

Promotion: Finally, make sure that you have a flyer or something visual promoting this plan. If you want this to work, clients need to know about it. AND, every one of your employees needs to know about this program. The point of sale personnel need to be responsible for handing out these cards and putting the customers name on the rear of the cards as well as entering them into your tracking system (see above).

Investment: This is probably the cheapest marketing you'll ever do. You'll probably pay a small fee for design and then a fee to print the cards (should only be a few cents each).

Your competitors simply **ARE NOT DOING THIS.**
Be different and grow your sales quickly!

We can help you create this program quickly and affordably.

Mention this article when you call and receive 10% off printing & design.