

ATTRACT CLIENTS ONLINE

THE POWER OF REFERRAL PARTNERS

The right referral, affiliate, and joint venture partner can make a significant difference in our business growth. As the business relationship grows and we demonstrate we are a trusted partner, introductions and new opportunities we never knew about can appear.

The focus is on forming relationships that can propel our business forward faster than trying to find clients one at a time.

Partnership Types

Referral Partner: An individual or business who makes a warm introduction to your business to their network. They might be colleagues, friends, or complementary businesses and you may choose to compensate them with a gift or commission.

Affiliate: An individual or business who shares your offers with their network, usually for a commission. For example, a partner might share your offer with their mailing list for a 25% commission for each product or program sold.

Joint-Venture Partner: An individual or business who collaborates with you on a project, program, or sale. They may be compensated with a commission and/or free exposure to their business. For example, a partner agrees to participate in and promote your telesummit in exchange for the opportunity to grow their mailing list by offering a free gift to listeners.

Note: This model is similar to Podcasts, being a guest speaker in someone else's group, and the 'free' public speaking model. Sometimes the exposure you gain can be more lucrative than any compensation or commission you may receive.

We will start with referral partnerships.

Referral Partners and What to Look For

Sometimes, the best referral partner is another business owner who serves our target market and offers something different than we do.

Examples:

- A home inspector might partner with a Realtor since many of their clients will need a home inspection.
- A career coach might partner with a resumé writer, since they serve the same clients with complementary services.
- A Virtual Assistant might partner with a business coach, since some of their clients may require done-for-you services.

Once you know who your ideal client is, you can brainstorm and identify the other businesses they frequent to purchase products and services.

The more you know about your ideal client (what they value and are interested in, where they invest in themselves or their business, what services they routinely use), the easier this process becomes.

Case Study

Diana Needham a business coach who helps successful service professionals expand and grow their revenues and reach. Because her ideal client is already successful, they are not start-ups. They are generating revenue and want to grow their business.

What services are they paying for and using to keep their business healthy?

This list might include:

- CPA
- Bookkeeper
- Credit card processing service
- Business attorney
- Business banker
- Virtual assistant service

When Diana networks, she may focus on connecting with just these professionals. Then she can set up a second discussion to better understand the services they offer, what they need right now, and whether they are open to brainstorming ideas of how we could help each other grow our businesses. See the virtual coffee materials for more details on how to do this.

How this might work at a networking event:

- You may go to a networking event and ask if there is a CPA attending the event. Someone might introduce you to that CPA and you're having a conversation.

- You will know right away if there is a good connection with this person. If there is, then you can move on and ask to set up a 2nd conversation to ask:
 - What services they offer
 - What they need right now
 - Whether they are open to brainstorming ideas of how we could help each other grow your businesses.
- Set up that 2nd conversation and use the virtual coffee materials to guide your discussion.

5 Things to Look for in a Referral Partner (outside the same market you serve)

- There is an authentic connection and you both offer high value to your clients.

First impressions can tell us a good bit about others. Trust your gut and move on if a strong connection and alignment of values is not immediately evident.

- They have a great product or service we believe in and can readily recommend to our clients.

We know the quality of their offerings and their commitment to customer care and service. A recommendation to a business who falls short on either of these can harm your reputation.

You will only know this by having deeper conversations with them.

- They understand and believe in the power of referral partnerships and the value they can bring to both their business and ours.

Anyone who does not fit this cannot be relied on as a credible referral resource.

We do not want to be in a position where we have to convince somebody that they should be a referral partner. Most business owners who have been in business for some time will understand the value of referral partnerships. If they don't, just move on.

- They are connected and respected in the business community.

We want to partner with people who can make other introductions and we can help each other expand.

When we refer our clients to our partners, we are putting our reputation on the line. Vet the reputation of any potential referral partner. Would we be proud to be associated with him/her?

Make sure that:

- They have high integrity
- They deliver on their promises

If not, keep looking.

Note: We also want our referral partners to be connected outside of our social circles. If both of you and your referral partner travel in the same circles and know exactly the same people, the kind of results that we are looking for may not materialize.

- They are willing to put in the same level of effort to support you, as you are to support them.

A partner who is not pulling his end of the partnership and only wants the benefit we bring is of no real value to us and our business. If this is the case, move on.

When you first start networking, you want to focus on referral partnerships. Once you have some great partners in place, you can start focusing on affiliate marketing and joint-venture relationships.

Affiliate Marketing and Joint Venture Partnerships

Both affiliate marketing and joint venture partnerships can be great strategies for broadening our exposure to new audiences and generating income.

Affiliate Marketing

In the most common form of affiliate marketing, one business pays another – the affiliate, a commission for sales that result from the marketing efforts of the affiliate. For example, if we find a program that can benefit our clients, we can form an affiliate relationship with the creator of that product and have an agreement to receive a percentage of every sale we create from our own marketing efforts.

Joint Ventures

A joint venture (or JV) is an agreement between two or more individuals or companies where parties will work together towards the same strategic goal while maintaining separate businesses/entities. They are working together to create something new.

Each of the parties are responsible for their expenses and any debts incurred in the project and at the end of the project will usually divide the profits between themselves. This generally requires a formal agreement with terms, delivery, dates, and timeframe for development.

Example:

Pamela and Gene partnered to develop and deliver the (AICO) Attract Ideal Clients Online program.

Not all joint venture opportunities require monetary compensation. There are many models that can offer free exposure to your business such as telesummits, podcasts, and speaking opportunities.

Considerations

These two kinds of relationships should also be entered with the same considerations and vetting procedures as for referral partners. One great rule of thumb is **never promote something you have not used yourself and have hands-on knowledge about it**. It goes without saying these kinds of partnerships require a level of trust built via true connection, alignment of values, and mutual trust.

Next, you will be brainstorming and creating your own referral partner list.