

HOW TO ARCHITECT POWERFUL RECOMMENDATIONS: FANS SING YOUR PRAISES, BUT ADVOCATES BRING YOU BUSINESS



You have happy clients. You even have happy clients who are willing to refer you. But, if they don't know how and to whom to sing your praises effectively, there's little impact on your bottom line.

Done well, referrals initially require no resources on your part and close faster—and at higher rates—than any other source of leads. Further, the chance of creating another super-happy client jumps when you start off with someone who knows their positive experience is not unique.

Apex¹, a well-regarded professional services firm had plenty of happy clients who kept coming back and provided laudable quotes for the firm's website. Apex's principal stockholders were ready to expand, and take the business to the next level.

There was only one hiccup: Apex was living off repeat clients while struggling to win new ones. The business couldn't grow significantly without new clients.

The biggest bang per marketing buck

Apex's clients provided excellent references when called, but they weren't introducing the firm via referrals. The firm regularly surveyed its clients, producing enviable *NetPromoter* scores. The lack of good referrals was particularly puzzling since the key question for *NetPromoter* is: "How likely are you to recommend this firm to your friends and colleagues?"

The ducks weren't lining up as they should.

The power—and promise—of referrals

Study after study shows client recommendations pack a mightier punch

than your own marketing. Powerful referrals credibly cut through the cacophony created by traditional marketing, where every firm in your industry says they perform at the top of the pack. Don't believe me? Take a minute to check the websites of your top competitors from the perspective of a prospect. Most people are shocked at how similar the language and claims are to their own.

Powerful referrals from third-parties are worth their weight in gold. The problem is few firms do referrals well, realizing only a fraction of their potential.

Powerful referrals come naturally when you think differently about marketing. Thinking differently about marketing unlocks a path driving more revenue, better clients, and higher profits.

Escape the trap

Talking to the Apex leadership was like déjà vu for me. Years ago I worked for a consulting firm with supremely happy clients. Nearly all our clients told us they'd happily refer their colleagues. But they didn't.

Some of my old employer's clients actually did introduce us to colleagues. They said we were "smart" and did "great work." We were thrilled and used their quotes in our own marketing. No new business resulted and the ensuing crickets left us scratching our heads. What went wrong?

In the ensuing years, I've seen the same trap play out many times for my clients. Escaping this trap requires converting Fans who sing your praises into Advocates who bring you business by delivering Powerful Recommendations

¹ Apex is a real firm, but not its real name.

Architecting Powerful Recommendations

I can't emphasize this enough: the failure to convert Fans into Advocates is the single biggest sales and marketing gap for firms without a powerful brand. Closing the gap doesn't require black arts or navigating a nearly impossible set of actions. Powerful recommendations come remarkably easy when you think differently about marketing to harness referrer motivations and give them confidence you can deliver.

Think like someone providing a referral

People make referrals for their own benefit, not yours. Every recommendation puts the referrer's reputation at risk. Stop for moment and ponder that. If you perform as great as I say you will, your potential client (my colleague) thinks I'm smart. My influence, or social capital, grows. If you deliver short of expectations, my reputation and influence take a hit. We humans have excellent noses for sniffing out risk, so people avoid these situations. It's part of our human nature.

One way we guard our reputations is with weak or conditional referrals: "You might give Dave Smith a look" or worse "Here are several architects you might call." These less-than-ringing endorsements convey a clear message: "Don't blame me if the referral doesn't work out."

By contrast, the signal to noise ratio jumps when a colleague hears your firm is "ideal for your situation because..." You're almost certain to get a call. You must still close the deal, but the potential client's expectations are set high, meaning you start with a competitive advantage.

Confidence in knowing your performance will make them look good is what sets Advocates apart from mere Fans. To be really useful, Advocates need broad confidence in your firm's ability to deliver. The default is to wait for situations close to their own experiences. The result is that clients willing to make recommendations find few opportunities where they are comfortable making them.

Create the right situation with the Three Essential Questions

If clients or partners referring you have confidence in your broader abilities, they can offer powerful recommendations spanning a range of situations wider than their direct experience.

Credible, concise, and memorable information about what your firm does extremely well gives your Advocates the confidence to project their positive direct experiences onto your broader capabilities. Much of what they need comes from addressing the Three Essential Questions from your clients' perspective.

1. **What does your firm do especially well?** Not the boundaries of what you could do, but the core where you consistently excel: the sweet spot where you hit home runs.
2. **Who is your ideal client?** Not all clients are alike. Some are simply better for your business than others. Consider using personas so you are not limited to traditional segments.
3. **Why do your best clients select you over other firms?** The tendency is to answer from your own perspective, asking why you would hire your company, not why your clients actually do. Think beyond your actual offering. I've never seen "trust" on a list of services, but it's a huge part of the business relationship for expertise-based firms.

Putting the Three Essential Questions to work

Your Advocates want to be connectors, not sales people. Remember, it's not about you. Your mission is to ensure their advocacy comes easily and naturally. The Three Essential Questions form a template for creating easy-to-remember stories highlighting your compelling value. This type of consistent narrative can reach far beyond the Advocate's direct experience.

What you don't know can hurt a lot

Why do happy Fans make so few referrals, powerful or not? It invariably surprises companies I work with how little their own clients know about their firm beyond the client's direct experience.

Fans sing your praises with generic platitudes such as "an excellent firm," "knowledgeable," or my all-time favorite, "You'd be an idiot to hire anyone other than Peter." While these may make your mom proud, generic platitudes are little more than noise to your prospects. To cut through the market noise, prospects want specifics that many of your clients currently can't offer.

Give them confidence

The person receiving the referral—your potential client—wants to know:

- a) Does your firm do what they need?
- b) Has your firm had success in similar situations?
- c) Why is your firm better for them than other options?

This sounds simple, and in theory, it is. The rub is that it's unrealistic to expect your clients to describe your firm more articulately than you do. You must be laser-sharp so that even after your clients muddle it up, the person learning about your firm still gets a clear picture of why your firm is the best choice. Even good firms often struggle here. The sidebar offers valuable guidance for answering these questions effectively.

Get recommendations, not referrals.

Clients that see a personal benefit in recommending you or your firm, have confidence that you will perform well, and can explain why your firm is the best choice for their colleague's project become Advocates for your firm. Advocates are enormously more influential in driving actual business to your firm than the Fans who merely sing your praises. Advocates project your firm's abilities beyond their own direct experiences. You enable Advocates by

giving them confidence you will make them look good to the colleagues they recommend to your firm.

How to market strategically

The key to thinking strategically about your marketing starts with answering the question, "Why do your best clients select your firm over other worthy options?"

An outside set of experienced eyes and ears can be instrumental in distilling the answer that resonates with your clients, leadership, and employees.

Epilogue

As a result of our work together, the Apex leadership team came to understand what was holding the firm back, and how to move forward. They realized the root of their flagging fortunes was a mis-positioning of the firm: not what they did, but how they talked about it. Second, they gained insight into why and how clients select firms like theirs. (Hint: The clients were thinking in terms of their own overall business needs, not the tasks that a professional services firm performs.) Finally, they discovered, much to their pleasant surprise, how much their clients genuinely wanted them to succeed.

With crisp positioning in place and a program to better communicate the firm's core capabilities via stories, many of their happy Fans transitioned into powerful Advocates.

Today, the firm gets a higher number of more powerful recommendations. Even better, the referrals they get are for projects their firm is especially well-suited to perform, improving their chance of putting these leads under contract. With a high win-rate, they can submit fewer proposals while still growing their business. The aspirations of firm leadership are back on track, and they are actively expanding.