

The Easy Way to Get Insurance Referrals and Testimonials

Insurance Marketing Made Easy

Jim Whitaker

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Introduction

When planning for your business it's useful to divide your activities into three units: Before, During and After. Thinking about your business in this framework (developed by marketing consultant Dean Jackson) helps you simplify and plan your marketing strategy more effectively.

- The **Before** unit is where you find, identify, educate and motivate people to do business with you.
- The **During** unit is what you do to provide clients with risk management advice and insurance products.
- The **After** unit is where you nurture lifetime relationships so clients remain clients and help you get more clients.

One of the most important tools for an effective After stage is referrals. One of the most important tools for an effective Before stage is testimonials. We'll cover both of these in this report.

Referrals

Developing a Referral Mindset

Are you reluctant to ask for referrals? Do you add value to the consulting you do and the insurance products you sell? Are you an insurance professional of character and competency with good communication skills? If you have these qualities, you may be doing yourself a disservice by not asking for referrals.

One more question: Do your clients know, like and trust you? It may seem like a strange question to ask whether your clients “know” you. But quite often contact with clients can be minimal. They may see your name on the communications they get but except for maybe that sales call you made years ago, not really know much about you.

Do you take the time to meet clients personally and, depending on circumstances, spend time getting to know them, their families and their businesses? When we have relationships that come from knowing people on a personal level — even if it’s only taking the time to chat for a few minutes about personal interests we share — we earn a deeper sense of trust from clients. Relationships like these make it so much easier to ask for a referral.

Of course it takes more than just personally knowing your contacts. You need to provide value and clients need to know they can depend on you. But if you do these things and follow through and try to put your clients first, there’s no reason you shouldn’t ask for a referral. Why

wouldn't your clients want their family, friends, and associates to receive the same benefits they get by using your services?

Some agents are afraid to ask for referrals because they think it makes them look unsuccessful and needy. That is not how clients perceive agents with character, competency and good communication skills who ask for referrals. Clients like this are usually happy to make a referral if asked. They will give you referrals because they appreciate the value you add. But even more important, when they give referrals they are actually helping themselves as much you. You see, it's an opportunity for them to stroke their own egos. "Look at the great agent I've got," is what they're saying in effect. It's like telling friends about a favorite restaurant or turning them onto a movie or a wine you really like. Everyone wins.

If you don't already routinely ask for referrals, maybe it's time to develop referral mindset.

Why Referrals?

Referred leads are the best kind for at least seven reasons:

1. They are inexpensive
2. Unlike leads acquired by advertising or cold calling, they have a high trust factor or what's called relationship leverage.
3. They are less likely to be price-sensitive commodity buyers
4. They convert more quickly than other leads
5. They are more loyal
6. They are preconditioned to make referrals since they were referred

7. Clients who make referrals are more committed since they just recommended you!

If your clients know, like and trust you and your newsletter is keeping you top of mind, you're already getting unsolicited referrals. These are called *passive* or *accidental referrals*. Marketing consultant Jay Abraham says that if you have a formal referral system in place to get *active referrals*, though, you can increase your referrals tenfold. Potentially, that tenfold multiple will double and more when those referrals make referrals and so on, resulting in an exponentially growing and self-perpetuating lead cycle.

When to Ask for Referrals

With Prospects and New Clients: When you first meet with prospects let them know that you get most of your new business through referrals, which allows you to spend your time helping clients instead of looking for new clients. Ask them, "If I do a good job and you decide to do business with me, would you be okay with referring me to two or three other people or businesses?" Most people will say sure. When you lay the groundwork like this, it's far easier to bring up the subject later on when you get the account.

After the sale: First of all be sure to call your clients a few days after the sale. Make sure they're happy with everything and express your appreciation for their business. Then, take the opportunity to follow through and ask for the referral.

Sometimes clients who don't know you well might be concerned that if they give you a referral you'll hound that person. You need to assure

them that you are always careful about acting professionally when contacting referrals.

Bill Cates, in his book *Get More Referrals Now*, distinguishes between three levels of referral. The first level, the *suggestion*, is where you simply get a name and contact information. (If this is a consumer lead and you need to call the referral on the phone, you should be careful about violating No-Call lists, which you can explain to your referral source and maybe persuade them to at least give you an *introduction* level referral.) In the second level, your referral source provides an *introduction* by first making a phone call or sending an email before you make the contact. The third level, the *face-to-face*, is where your referral source arranges a meeting; maybe a lunch or a golf outing or some other event that all three of you attend together.

Any time you meet with a client: When asking for referrals, the general rule is: Do it any time you have been of service. Maybe the client called you with a quick question or you've just helped them with a claim or a tricky renewal. At times like these, your client will be the most receptive to giving referrals to you. Don't be bashful, ask for them.

How to ask for a referral. In a word, confidently. If your clients know, like and trust you and you have character, competency and good communication skills, you have every reason to be confident. If you need to psych yourself up, here's an affirmation that Bill Cates mentions in his book on referrals that you might want to memorize:

“I provide quality service. People like me and trust me. I deserve to get referrals. I serve people so well that they want to refer people to me. I deserve this highest form of praise.”

When you ask for the referral, never be apologetic or wimpy about it. Say something like this, “As you know, I specialize in helping small businesses like yours with health plans, life insurance and business property and casualty coverage. If you know anyone who might need my services, I’d sure appreciate the referral. Do you know anyone I could help?”

Sometimes clients will just give you names of people to contact yourself without any involvement of their own. These are *suggestion*-level referrals.

If you want to want to get an *introduction* or *face-to-face* level referral, add something like this: “I wouldn’t want to make you uncomfortable about giving me someone’s name without talking to them first, so rest assured I wouldn’t contact them without your permission. Can you send them an email or give them a call and let them know I’ll be contacting them?”

When clients can’t think of anyone to refer: Help them out by naming people you’ve already identified as prospects you’d like to meet. For example, if you know the names of people in the neighborhood mention them and ask clients if they know them. If they do, they’ll probably say, “Sure, you can tell the Joneses I referred you.”

If you don’t have specific names, name categories, such as other dentists, doctors, restaurant or auto repair shop owners.

If you provide business insurance and you've developed a rapport with your client, you might want to share the names of some of the business people who are on your prospect list, one business person to another. Ask if your client agrees if someone might be a good prospect for you. If so, ask for the referral.

Always mention to referrals how grateful you are to the person who made the referral and ask them to thank the person. This reinforces the referral source's decision to make the referral and will probably lead to them making you more referrals.

In the next section I'll talk about testimonials, but in terms of timing, if you've got a client who will give you a testimonial, one of the best times to bring up referrals is right after getting a testimonial. Your client has already expressed confidence in you; now getting some referrals just follows, like cookies and milk.

The Endless Chain: Be sure to keep the referral cycle going. Tell your new referral how much you value your relationships with clients and how getting referrals means you have more time to service and help existing clients instead of cold-calling, so if you do a good job you'd like them to make a referral, too. Marketing coach Dan Kennedy frequently refers to Paul J. Meyer's concept of the endless chain: "You never need to be without a good prospect as long as you have just one client." Then, he adds, with emphasis: "*Unless you are inept at trust.*"

Use Your Newsletter

When you get new referrals, even if they're not ready for a quote, put them on your newsletter mailing list. Educational marketing with

newsletters creates more informed buyers who are, in turn, inclined to reciprocate the favor and respect you for your expertise. Also, you stay top of mind as you build credibility and increase the likelihood you'll be welcomed to provide a quote or even simply write their business when the time is right.

Email newsletters are fine for reaching 20 – 30% of your list, but a print newsletter is far more effective, since everyone sees it even if they don't have a chance to read it right away. A print newsletter also has shelf life and pass-along value. You'll get more *passive referrals* with a print newsletter that people can hand off to others.

In addition to educating your contacts about insurance and keeping them up to date on insurance developments, be sure to include an article in each issue about or by someone in your firm or write about one of your clients. If you include personal material in your newsletter it's more likely to get passed around, especially if you can feature your clients in a story.

Create a culture of referrals

Ask for referrals in your communications. Put a slogan in your email signature, such as, "A referral is the highest compliment you can pay us," or the more proactive, "If we can help someone you know, please give us a referral." Bill Cates, the referral expert, titled his first book, "Don't keep me a secret," which many agents use in their signature and even add to their voicemail message.

Referral expert Bill Cates suggests changing your voicemail message to

say, “If you’ve been referred to us by someone else, please let us know so we can thank them.” This adds more support to your culture of referrals and lets people know you receive referrals routinely.

Add a referral call to action on your website. Some of our clients use a “Claim Your Reward” button on their websites for referrals. When clients make a referral, they get a \$10 Starbucks coupon or something similar.

Networking

You can get referrals from people who aren’t even your customers. There’s probably at least one if not numerous BNI (Business Networking International) groups in your town. BNI brings together business people from diverse professions who “connect and share information, knowledge, resources and referrals” with each other. There are more than 3,700 BNI chapters throughout the U.S. Find a chapter in your area: <http://www.bniamerica.com/en-us/findachapter>

There are also local networking groups in most cities.

Ivan Misner, the president of BNI, talks about the VCP process, which stands for visibility, credibility and profitability. In an interview with Dean Jackson and Joe Polish of ilovemarketing.com, Misner explains how VSP, which Misner says is the key to networking, is a chronological process. “You have to move from one to the next.”

“It starts with V, visibility. Visibility is where people ... get to know who you are; they get to know what you do. Credibility is where people know who you are, they know what you do, and they know you’re good

at it. Profitability is where people know who you are, they know what you do, they know you're good at it, and they're willing to pass you referrals on an ongoing, reciprocal basis."

You want to make the progression from visibility to profitability with your network groups, but be careful not to be too aggressive, says Misner. And have the right mindset. Too often people think of networking only as a way to promote themselves. They come on too strong, pushing their product or service immediately whenever they're introduced to someone. It's like asking someone to marry you on the first date. Networkers should think first of how they can serve others. By serving others you are fulfilled, whether that means more business for yourself or the satisfaction of helping others.

Use Your Newsletter. If you join a network and you've reached the "Profitability" level that Misner talks about, ask members of your group to make your newsletters available to their clients and visitors. Networking groups with professionals such as attorneys, CPAs and real estate agents are ideal. But great leads can come from any source: a car dealer, a barber shop or a health club. You can do something as simple as placing your newsletters in their waiting rooms and lobby areas. You would do the same for them with their newsletters or, if they don't have one, their promotional materials. Another idea would be to recommend your services to your network partner's contacts by sending a complimentary copy of your newsletter to their mailing list — and vice versa.

Always Say Thank You

Whenever you get a referral, don't forget to thank the referral source, whether it's a client or a network colleague! Especially if it's a client, you might even want to send them a special gift, like a bottle of wine, box of chocolates or whatever your signature gift might be. When the referral turns out to be a valuable customer, send your referral source another gift, maybe something more personal this time. In addition, Bill Cates likes to stress the importance of having the referral thank the person who referred you. This reinforces the referral source's decision to make the referral and will probably lead to more referrals.

Testimonials

What's a Good Testimonial?

Everyone knows third-party testimonials promote your business better than almost anything you could say about it. But there are C+ testimonials — and then there are A and sometimes A+ testimonials. I'd give the following testimonials a C+ to B:

“Good service,”

“I was very satisfied with ABC Insurance,”

“John and his team helped us bundle our cars and homeowners insurance together in one policy. Thank you!”

They're not bad. But, frankly, they're a little too nice and sugary, which makes them boring and generic and in the end, they don't really tell you anything. There's also something hollow and almost suspicious about a collection of testimonials that contains nothing but praise for a business.

But testimonials don't have to be boring and generic. With a little guidance, you can help your clients write a strong, persuasive A or A+ testimonial for you. The key to a strong testimonial is specificity: “I really appreciate how ABC Insurance showed me a lot of ways I could save on car insurance.” “Your agency's policy review for my business has resulted in a 35% savings just this year.”

Testimonials that deal with objections are the strongest. In addition to testimonials that tell about a specific benefit— “a lot of ways I could save on insurance” and “a 35% savings”— testimonials that explain how the business overcame the client's concerns or initial misgivings, which

I'll call objections, can be very persuasive. Price concerns are a typical objection, but other objections may focus on ***service, availability, professionalism, knowledge, claims assistance, access to markets, convenience, friendliness***, and so on. Ideally, the testimonials you get will address a variety of concerns, enabling you to use them to counter objections people who are considering doing business with you may have. It's usually hard to get testimonials like this, but there's a surefire way to do it (see #3).

How to get testimonials

There are three approaches.

- 1. Research your client correspondence or email logs.** Look for any positive feedback that could be developed into a testimonial. For instance, you might find that a customer wrote a note thanking you for your prompt response to a homeowner's claim: "It was handled quickly, professionally and I had a check in my mailbox the next week!" Usually the messages you have to work with won't sound that polished. Maybe the customer in this example just said something like, "Wow, quick service. Thanks." You can work with that. Be sure to ask permission of your client before you use anything with their name on it.
- 2. Get them on the fly.** When someone writes or says something positive in the course of the day, seize the moment! Write down what they said and ask if you can quote them. Tell them you'll repeat what they said in an email and if they will just read and approve it, you'd like to post it on your website, etc.

You usually have plenty of opportunities to ask for testimonials after completing a sale, solving a problem or handling any kind of

transaction where you've been of service. Take the same approach you would to get a referral.

Here's what one agent says: "Bill, I'm glad you're happy with the insurance arrangements we made for you. You know my boss is always asking me for testimonials to post on our website. Would you mind giving me a testimonial? Excellent (assuming they agree). While I have you here, let me ask you just three short questions and I'll draft something up and send it to you for your approval."

3. The third way to get a testimonial is probably the best: plan it.

Ask your client if they'd be willing to give you a testimonial. Tell them that you will make it very easy for them. You have a few questions you'd like to ask, which they can answer anyway they want of course. You will then take what they actually said, make a testimonial out of it and send it to them for their approval. Sound okay?

Then set up a time to call or meet and ask them the following questions, which were adapted from questions formulated by Sean D'Souza in his book *The Brain Audit*, about the psychology of selling. You might want to record your conversation to make transcribing what your client said easier.

A. If you hesitated before deciding to do business with me (us), what was the obstacle or factor that made you hesitate?

What you learn from this question may surprise you. Above and beyond its use in a testimonial, you'll get valuable feedback on what people feel are your or your firm's strengths and weaknesses. Asking this question will root out misconceptions you might have. Maybe you think people like to do business with you

because you have an outstanding reputation for service. What if you find out your new client thought you had the best presentation and insurance plan, but based on what he or she heard on the street didn't think your service would be very good?

What if you learn that people think your agency is especially good at handling certain types of niche businesses? You could find out things that could actually help you formulate a unique sales proposition that you can use to plan a more effective marketing strategy. For instance, maybe you always considered yourself a generalist but it turns out you've got a reputation for doing a good job for restaurant businesses or helping boomers plan for retirement. If so, you might want to rethink your positioning statement.

B. What did you learn as a result of making the decision to do business with me (us)?

Obviously, they made that decision, so whatever the obstacle was, it's been defused. But here's the good part. Now you get to learn what it was that might have held them back and this will help you tell a story. If service was the concern, for example, the client may say, "I was concerned about whether the service would be as good as I got when I lived in Cleveland. But your service has really blown me away. I know my wife and I had a million questions but you and the folks at your office never hesitated to take the time to answer them and send me things to read that would explain everything. I couldn't be happier with your service." Most agents boast about their great service, but not many back it up with solid feedback. Now you've got more than platitudes.

C. What specific features of the insurance program we presented did you like the most?

Detail like this can be even more valuable than hearing that you provide “great service.” Maybe clients will say that your disability product knowledge is awesome. Or maybe they never thought they’d find such a comprehensive insurance program for their pizza parlor at such a great price.

D. Can you name three other benefits you’ve experienced from the plan we presented?

You can also say two or even one. The point is to see if you can get a little more feedback. Clients may give you an answer that’s even better than the first benefit they talked about. On the other hand, they may say something like, “The contingent business interruption coverage from anchor stores is a really good feature,” which may sound kind of hard to translate as a compelling benefit. But you can take the liberty of summarizing what the client said with something like: “I really appreciate how you really thought about my business and came up with ways for me to protect a lot of risk exposures my business has that I wasn’t even aware of.” After all, the client has to approve it.

E. Would you recommend our agency to someone else? If so, why?

Hopefully the answer is yes. This is also the perfect opportunity to ask for referrals.

F. Would you like to add anything else?

They may have nothing to add or they may talk your ear off now that you’ve opened them up with your first five questions.

When you've finished the interview, try to put it all together in a way that has a kind of story arc. Plot the testimonial like a story with a progression from problem to happy ending:



Don't embellish though. Use the client's actual words as much as possible. If you rewrite too much, you risk stifling the essence of the client's personality and intent, which should come through to make the testimonial really resonate.

After you've "crafted" the testimonial in an honest way, send it to your client and get permission to use it. If possible, get a photograph of your client. Ask them to say "cheese" and take a selfie if they don't have something on file. Your testimonial will have more impact with a photo shot of a real person to go with the text.

Testimonial Tips

By the way, a lot of agents post testimonials with just a first name. This kind of minimal attribution looks suspicious and lacks credibility. The more information about the person giving the testimonial you can include without violating someone's privacy the better. For an individual, use a first and last name and name of town. For businesses, use the person's name, title, name of the business and town. A testimonial from a business may have publicity value for the business. You may also want to get permission to share the testimonial on your social media.

Once you get a few awesome testimonials posted, don't get complacent and stop asking for them. Post new testimonials often. When repeat visitors to your website and elsewhere see the same

testimonials time after time, they might wonder whether you're resting on your laurels or there's just a lack of positive feedback these days.

Of course you're going to put the testimonial on your website, but don't forget Facebook and especially YELP and Google+ and any other directories you can be listed in that include client testimonials. Make sure that prospects can read your testimonials when they search online for agents. In addition, you can also use social media to ask for testimonials. You probably get requests from people on LinkedIn all the time to endorse them:

Dear Joe,

I wonder if you could help me out with a brief recommendation of my services that I can include in my LinkedIn profile. That would be awesome. Let me know if you have any questions. Thanks in advance for your support.

Jim Whitaker

You can use this approach on other social media, too. Here are a few suggestions:

- Twitter
- iTunes (if you've posted videos)
- Local Directories
- Local Chamber of Commerce

Say thank you. Once your customer approves it, post it to your website and place it in your printed promotional material. As with referrals, thank them. Send them a handwritten note and a small gift, such as flowers or a gift card.

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