



Referral

In Association with
Preeminence



Computer Software Company for Retailers

Here the CEO of a computer software company talks about how they market their product by using personalized direct mail with a 'bribe' of a free book.

We get about 35% of our leads from referrals and about 35% from direct mail. Our market size is about 7,500 clients. We send a direct mail piece to all of our prospects every other month. In the interim months we send a personalized letter to our clients, our key prospects and people who are in the queue (some place between demonstration and proposal and close) as well as to industry consultants. We try to do a value add with that, whether it be an educational piece or a premium.

One of the best things we did was to read Howard Sewell's book 'Consumers for Life'. Howard is a Cadillac dealer from Dallas. We negotiated to buy five hundred of these books at about \$3.50. We mailed them out to our direct marketing list and ended up doing about \$200,000 worth of business from that base list of referrals.

So I guess we get our referrals by bribing our clients with education. We try to position ourselves as a value-added resource. Also an important part of our referral process is to teach all of our sales people to ask for referrals. In fact I'm just amazed that so many people don't ask. We ask people who elect to go with someone else for referrals because they all know who else is looking for the type of services we provide. So we find it highly effective to have a systematic method of communicating with key consultants or clients on a regular basis. By the way, we have a budget for that of \$5.00 per person on average, over a year.

So that's \$30 per person times 500, or \$15,000 which is probably one of the best returns we get on our marketing dollar today.

