



Referrals for ISOs

How to create a steady flow of referrals for your business.

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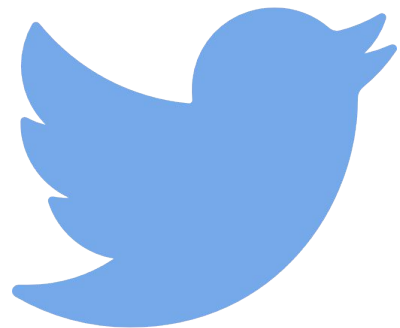
[Twitter.com/MikeLangford](https://twitter.com/MikeLangford)



Facebook.com/PearlCapitalBusinessFundingLLC



LinkedIn.com/Company/PearlCapitalBusinessFundingLLC



Twitter.com/Pearl_Capital (Use hashtag #PearlReferrals)



Instagram.com/PearlCapitalNYC

Social media accounts for Pearl Capital are managed by Grant Pastor

Why Are Referrals So Valuable?



Referrals Convert Better

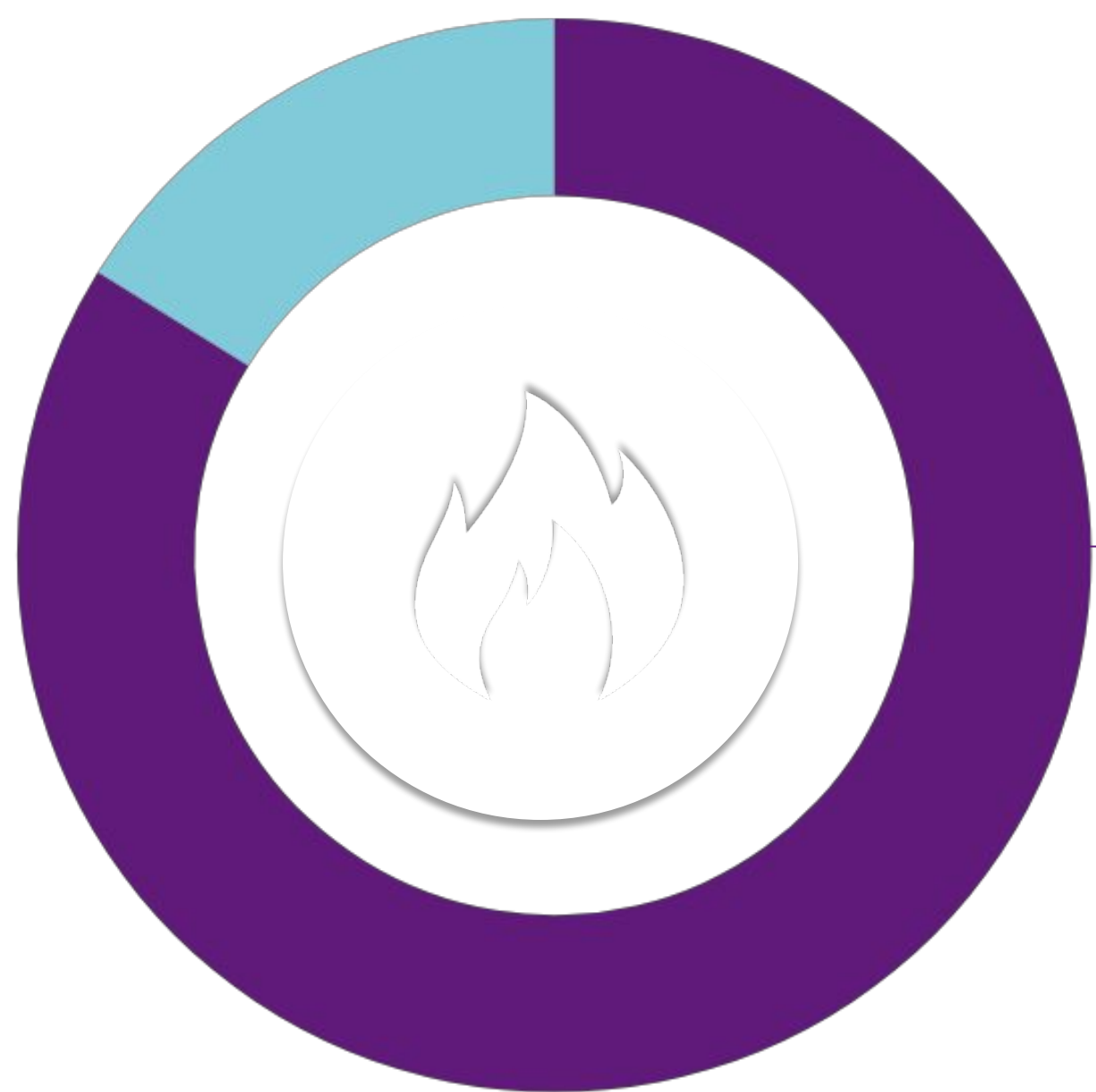


Prospects are four-times more likely to buy when referred by someone they know.

~ Nielsen: Global Trust In Advertising and Brand Messages



Referrals Are Warm Leads



83%

Trust Recommendations

“The most credible advertising comes straight from the people we know and trust. More than eight-in-10 global respondents **(83%) say they completely or somewhat trust the recommendations of friends** and family. But trust isn’t confined only to those in our inner circle. In fact, two-thirds **(66%) say they trust consumer opinions posted online**—the third-most-trusted format”

~ Nielsen

The referrer (recommender) has already warmed up the lead and done some level of pre-qualification for you.

Fostering Referrals Creates Win-Win Relationships With:



- Referral Partners and Current & Former Merchant Clients
- New Merchant Clients

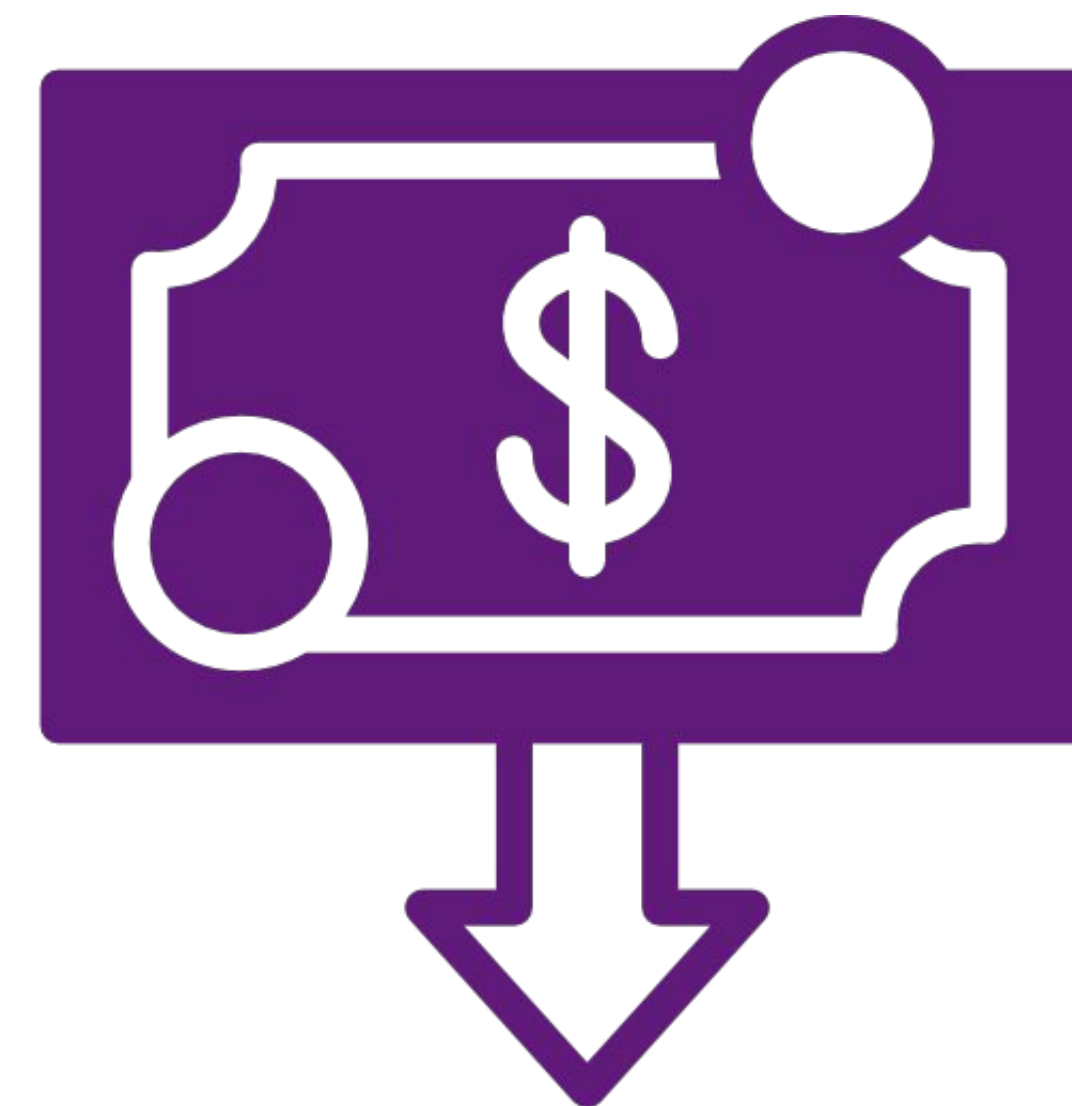


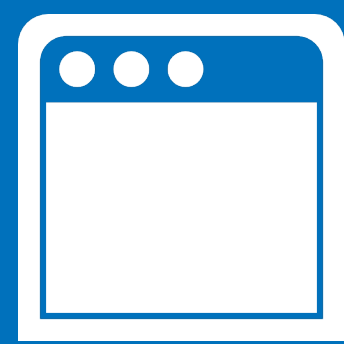
Lower Deal Acquisition Costs

Referrals typically cost much less than deals acquired via other channels.

Why are referrals less expensive?

- If there is a referral fee paid, it is usually *only* paid upon successful completion of the deal.
- Costs associated with materials required to facilitate referrals is usually minimal, one-time, and evergreen in nature.
- Many of the activities required to foster referral relationships do not take much time or effort.

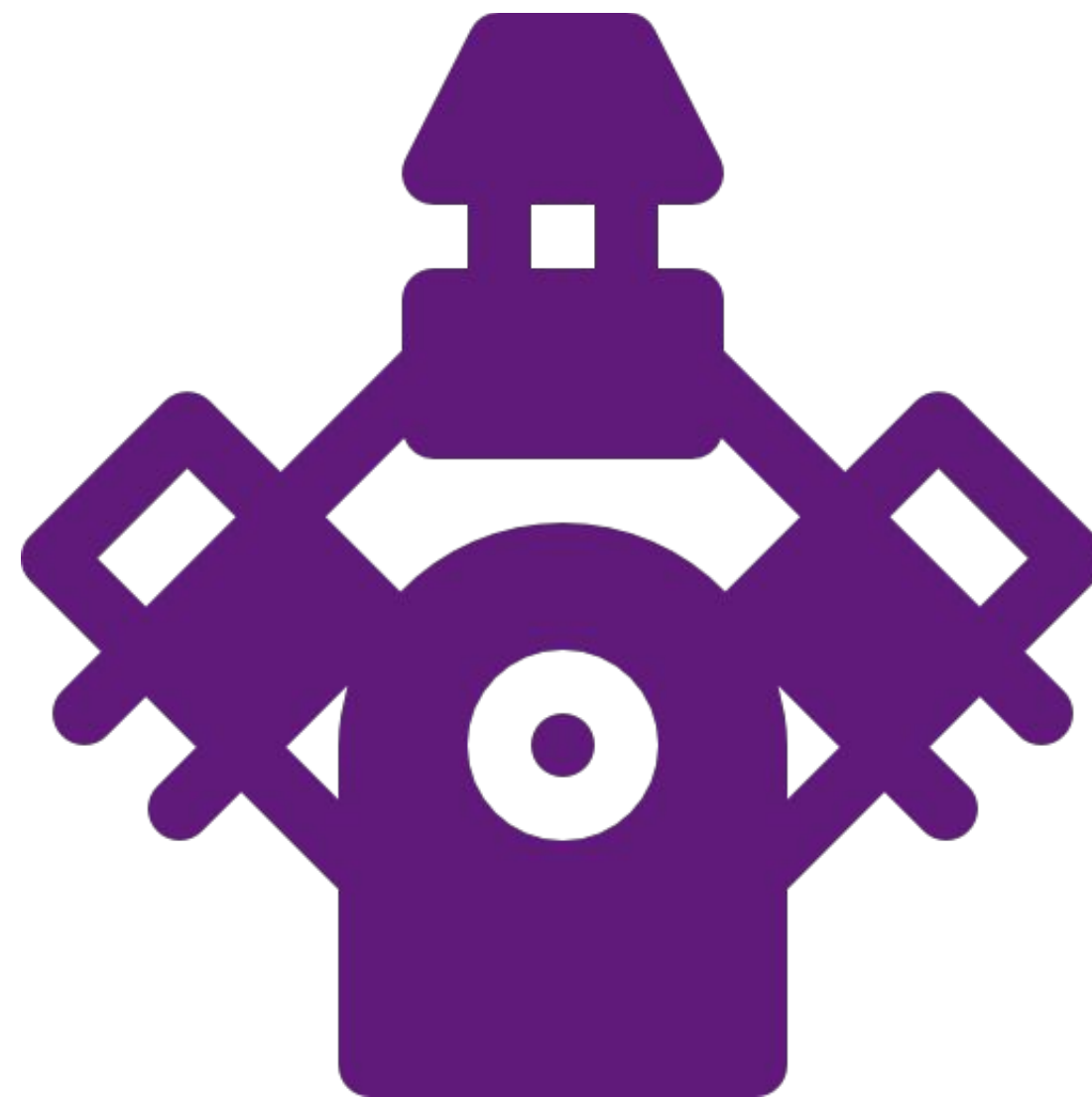




Amplify Your Abilities



Building a Referral Engine Can Ensure a Steady Flow of New Deals



Why rely on just your own horsepower?

Fundamentals of Referrals





What are the minimum requirements for referrals?

- Trust
- Confidence
- Familiarity
- Easily Identifiable Value
- Easily Shareable Message



Your Referral Network

Who relies on the business of the merchants in your target market?

- Suppliers
- Service Providers
- Clients (Merchants)

Ask *“Do your customers ever fall behind in paying you on time?”*

Who should want to provide a viable alternative for capital to your target merchants?

- Bankers
- Investors
- Anyone who is owed money or has a stake in the success of the company



IMPORTANT NOTE

Referral Partners Can Shake Hands

Companies are not referral partners, people at companies are referral partners.

It is the relationship that one person has with another or a group of other people that puts them in a position to refer business to you.

Referral Psychology



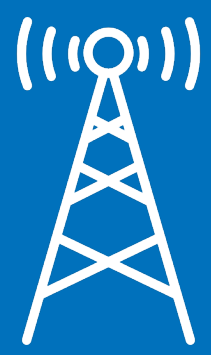
Bring Balance to the Force



“Give you must...only
then will you receive.”

“When receive they
do...feel the need to
give they will.”

~ Fake Yoda Quotes



Everybody's Favorite Station



What's In It For Me?

This is the question every referral partner asks himself.

- What is the value of being in your referral network?
- What rewards can you offer for referrals that convert to funded deals?
- Is there special access to information, services, or products?



Doubt & Discomfort

Merchants Have Doubts

- Merchants may trust you but doubt others will welcome the referral.
- An MCA is a big financial decision. Merchants may doubt their own ability to properly introduce the concept, and you, to others.

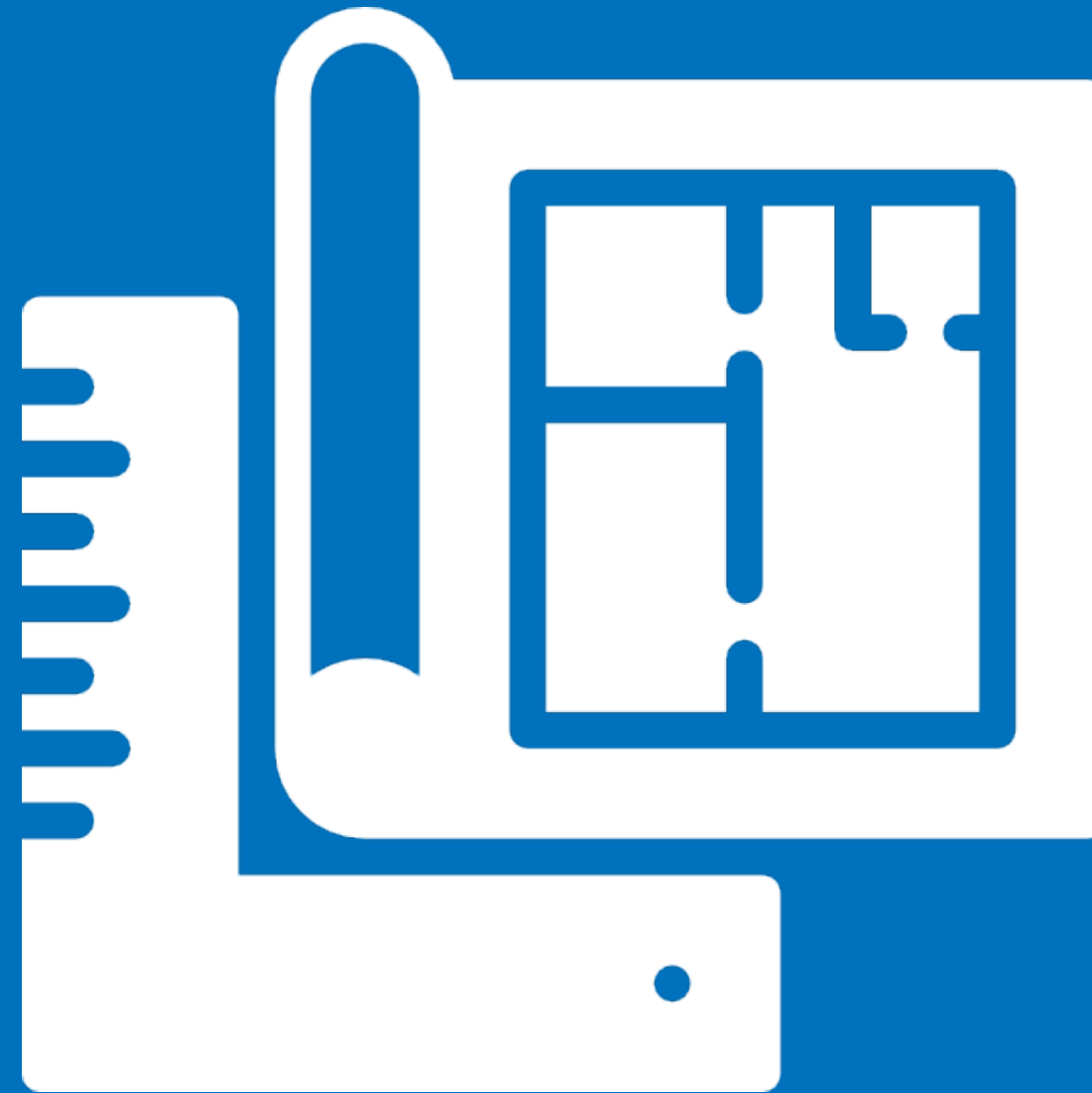
The Sales Pitch Discomfort

- Most people see referrals as signing a fellow merchant up for a sales pitch.
- Merchants are uncomfortable spending time selling your business when they have their own business to run.



[Amazon Link](#)

Referral Generating Activities





Eliminate Doubt & Discomfort

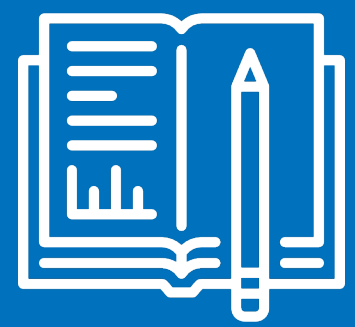


Make It Easy To Connect You With Other Merchants

Show Them You Know Them

- **Create Content** (e-book, webinar, event, video, etc.) - Tackle merchant financing or cash flow related topics.
- **Be Niche Focused If Possible** – Create a unique angle for your target market like “A Guide to Securing Capital for Your Automotive Repair Business”.
- **Offer to Write the Introduction** – Writing an introductory email can seem like a pain. Why not do it for your referral partners?

The information or experience you are sharing should be useful, valuable, and relatively difficult for the referral merchants to find on their own. The goal is to position you as the ISO who can solve their problems.



Do Your Homework

Ask For Specific Introductions:

- Compile a [list of their merchant contacts](#) and ask for introductions to share the content you created.
- Identify things they have in common with these contacts. Make the idea of referring you obvious.
- Avoid asking “Who do you know?”

Pro Tip: Start with a big list of contacts and ask them to pick the top 5, 10, or 20 to share the content with first.



Give Online Recommendations

Recommendations as Referrals

- Remember, 66% of people trust opinions posted online.
- Not only that, many people use online recommendations as the sole determinant of their purchasing decision.
- Examples:
 - Restaurants live and die by Yelp.
 - TripAdvisor is the lifeblood of the hotel industry.



You wrote a review for [Zaragoza Landscaping](#)

3 weeks ago

★★★★★ 8/4/2017

We recently hired Zaragoza after our last lawn crew went out of business. Melinda and her team are the most professional operation I have ever seen. Their attention to quality and customer satisfaction is off the charts. She even called the other day to check up on us, just to see if we needed anything, because she had a team in the neighborhood. Smart move! I think we'll be using Zaragoza as long as we live in River Place.



You wrote a review for [The Eleanor](#)

4 weeks ago

★★★★★ 8/1/2017

I chose The Eleanor as the venue for SoFin @ SXSW 2017 and we will be returning for every SXSW in the future for as long as they'll have us. The event manager Frank Botello made sure our event ran smooth as silk. We were in fantastic hands. Frank and the rest of the team anticipated our every need. It was a huge step up from. Our previous venue.

The venue itself is the perfect setup for a corporate event that your attendees will remember. I really loved that the stage area for talks and demos was separated from the bar area where people could mingle without interrupting the...[Read more](#)

Give recommendations online for your merchant clients and referral partners. Ask them to do the same for you on LinkedIn, Facebook, and other sites.

The Merchant's Experience With You Matters. Be Memorable:

- Send a handwritten thank you card.
- Include your business card.
- Mention that you value their business and would welcome introductions to other merchants.
- Include a paper copy or URL to the content you've created for them to share.
- Follow-up with a call if they don't call you first.



Ask For Likes, Retweets, & Shares

67%

People are 67% more likely to buy if they've seen a brand shared or liked by a friend on social media.

~ Harris Poll

How To Get Merchants To Share

- **Ask!** – Simply send them a private note, one-on-one, and ask them if they would be willing to like, retweet, or share your post via social.
- **Host a Contest** – Tools like [Hootsuite](#) allow you to host contests that will encourage social media engagement from merchants and referral partners.
- **Use Polls** – Create a [Twitter poll](#) or [Facebook poll](#) to gather opinions or valuable data from your referral network. Be sure to share your finding with the network when you're done.



Rewarding Referrals

Pay a Bounty for Deals that Close

- Cash is King – Many merchants pursuing an MCA are cash strapped.
- Amazon Gift Cards – They are easy and can be delivered digitally.

Negative: People will only work so hard for a potential referral fee.

Reward Merchants for Being In Your Referral Network

- **Send Them Referrals** - Ask them to identify people in your network who they would like an introduction to.
- **Write Online Recommendations** – Yelp, Facebook, LinkedIn
- **Promote Their Business** – Tweet, post, and include them in your newsletter.
- **Add Them to an Exclusive Email List** – Doing business with you should have special benefits.
- **Add Them to a Facebook or LinkedIn Group** – Only merchant clients and referral partners get in. Use the group to share insights and help each other.

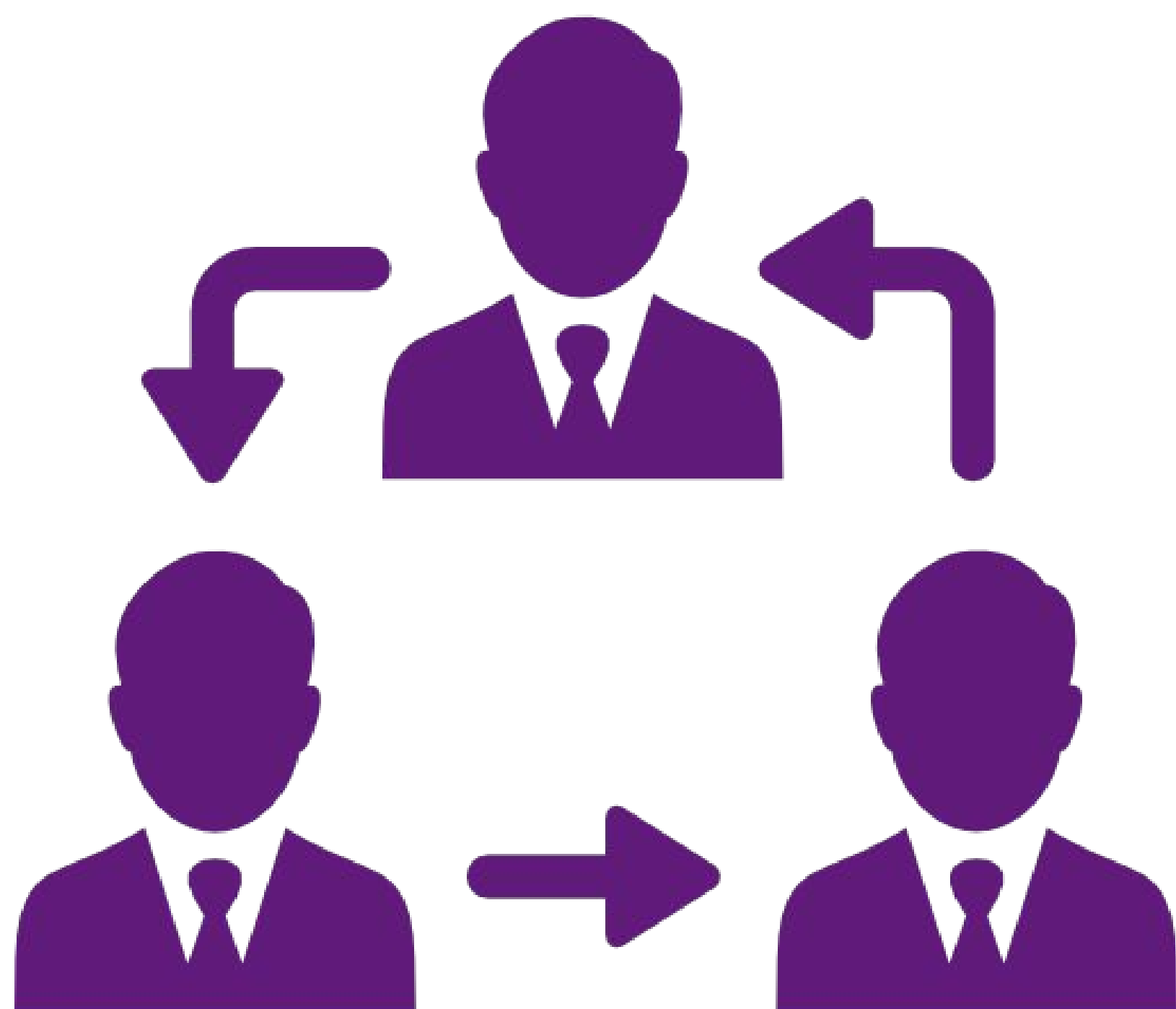
For The Next Month



Your 30-Day Challenge



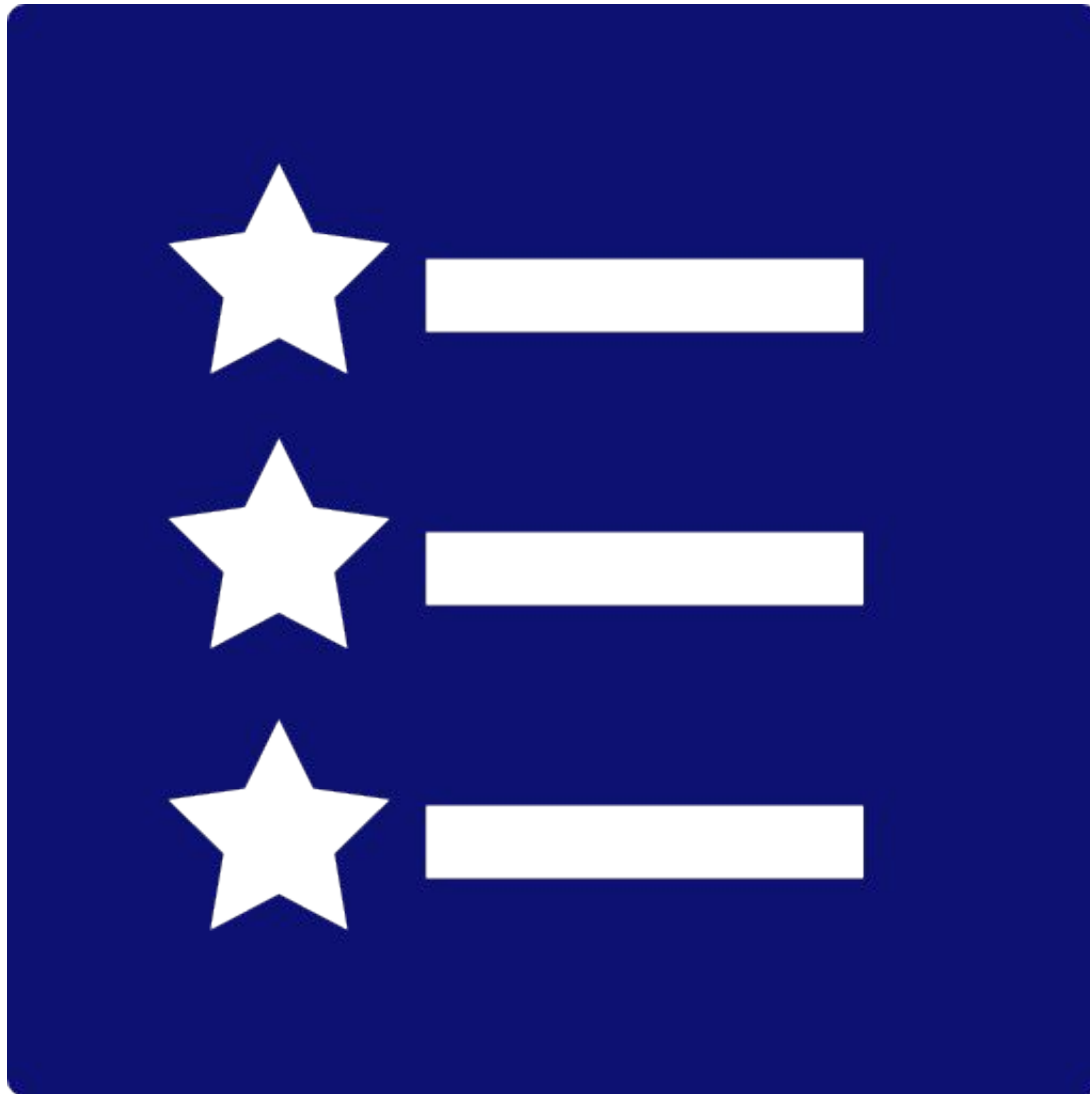
Network Down to Lift Up



Reach Out to Up and Comers

- Find new merchants and referral partners who are hungry to grow.
- Open your network to them.
- Share with them what you've learned from your years of helping merchants.

Your Goal: Use the long game to cultivate an army of referral partners who feel a debt of gratitude for your help.



1. Create something to share with your merchant clients and referral partners
2. Reach out personally to 10 merchants to ask them if they would be willing to share the content piece or invite to a specific list of their contacts.
3. Go out of your way to help these 10 merchants by sending them referrals, promoting their businesses, and writing online recommendations.



Thank You

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