

forewards

SUPERCHARGE YOUR ONLINE BUSINESS WITH REFERRALS

- Focus on your business and let your brand advocates drive your marketing message.

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Whether it's Amazon or eBay, Beyond the Rack or Birchbox, the world of e-commerce is blowing up. Even the analysts agree on this. Research now shows that ecommerce is out pacing (and some might even say... destroying) brick and mortar retail. In fact for the first time ever in 2013 black Friday sales on-line outpaced brick and mortar.

So the question you probably have is...



I'm running an on-line business right now, but how can I get a piece of this pie?

The reality is that what separates the winners from the losers in e-commerce has nothing to do with product selection or technology. It has EVERYTHING to do with MARKETING!

But that's the problem: when you're an on-line businessperson, your pride lies with the products you sell and in the service and experience you offer your customers. Becoming an expert marketer isn't what you signed up for. Besides, you probably never even liked marketing people anyway!

Well the good news is that in the digital world, there are some simple strategies and tools you can use to take the stress out of marketing and really SUPERCHARGE your e-commerce business.

Let's start with some basics –
What is the problem you're solving?



The first step to understanding marketing is to understand the problems that marketing could help you solve.

When it comes to retail, both on-line and in person, there really are two fundamental problems standing in the way of real, sustainable success. Both of these can be addressed with better marketing... if you know how.

1. Get new customers

Everyone intuitively knows that marketing should get the ball rolling when it comes to getting new customers through the door. But: marketing can be a huge headache. Even in a digital world where tools and technology have made a lot of things easier, marketing still isn't.

Google AdWords, search engine optimization (SEO) and Facebook advertising... where do you start and will these things even work for you?

The short answer is YES, these on-line marketing strategies can all be exceptionally effective. BUT all these marketing strategies take significant time and money to master. While the returns can be great, this time and money is probably not at the disposal of many busy shop owners.

A retailer's time is more often spent on their core competency - distributing great products and providing exceptional shopping experiences. As a result they often get by with the bare minimum marketing efforts, resulting in bare minimum results. This leaves many looking for a way to get more marketing bang for their buck.

2. Keep the customers you already have

The key to growing any retail business is keeping a base of loyal, repeat customers. In the on-line world of retailers it's a bit trickier since you must be able to do this without face-to-face relationships with clients. Marketing can help fill in the gap through loyalty offers and customer incentives, but setting up these kinds of program can also be quite overwhelming.

What should I offer? Who should I offer it to? How can I manage this? When should these programs run? How can I track this?

Instead of providing any answers many retailers are left with even more questions once they start entertaining the idea of building loyalty. Often, all smaller retailers need is an easier and more impactful way to make that connection with their customers.

You've got your own problems to deal with:

Beyond the big problem of attracting new customers and keeping existing customers, as an on-line entrepreneur you face your own set of challenges as well. You wear many hats, and have many responsibilities. Sounding familiar? You probably have:

1. NO TIME

The most valuable resource you have is time. While the insights you can get through the endless reports and numbers associated with running your on-line store are tremendously valuable, getting to this value can take a tremendous amount of time and analysis. You just want to get to the point, and probably don't mind how you get there.

2. NO DESIRE FOR NUMBER CONFUSION

Even if you have the time to dedicate to reporting and analyzing all your data, including your marketing data, you may not have the expertise required to use a complex reporting tool. Marketing programs should be simple and easy to understand. Is the campaign working, or not, and what areas can be fixed. Any tools you use should save you time, not cost you more with confusing layouts and an avalanche of numbers and graphs.

Surely there must be someone who can help:

The good news is that there are many avenues you can take to relieve some of the stress of marketing. Would you believe that perhaps your BEST source of free marketing is your pool of existing happy customers?

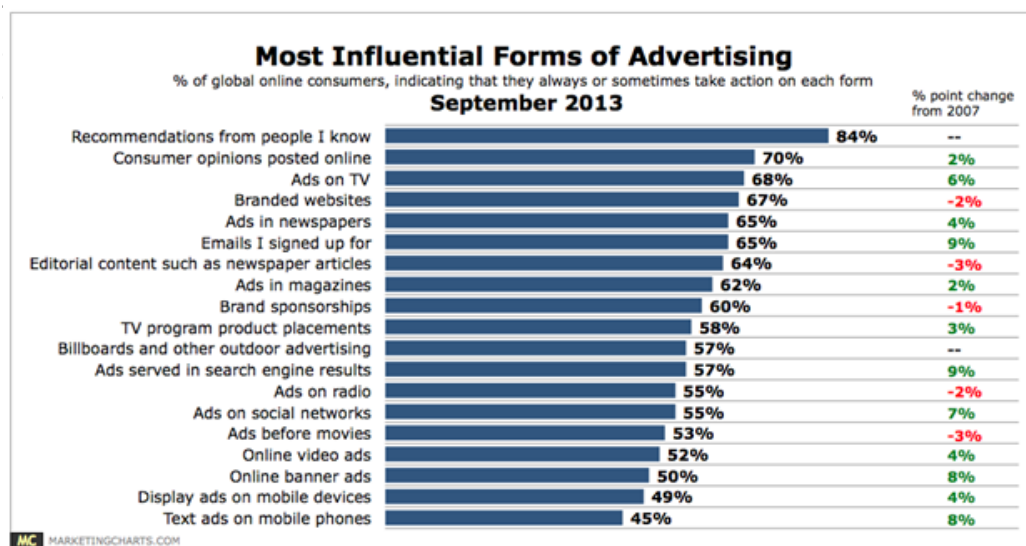
"65% of new business comes from customer referrals"

- NY Times

Did you know?

- 65% of new business comes from customer referrals – [New York Times](#)
- People are 4X more likely to buy when referred by a friend – [Nielsen](#)
- The Lifetime Value of a referral customer is 16% higher – [Wharton School of Business](#)
- 83% of consumers are willing to refer—yet only 29% actually do – [Texas Tech](#)

That’s the power of referrals, if you can utilize them properly. The interesting thing about the on-line world is that every one of us has been conditioned to share, comment, and tweet our thoughts on products and services all day long. The trick for a retailer such as yourself is to see if you can harness those conversations by skewing them in your favor.



What makes for a great referral tool?

There are really 3 key things to look for when shopping for a referral tool to supercharge your on-line marketing:

1. [K.I.S.S. \(Keep It Simple, Stupid\)](#)

Referral or loyalty programs can be complex and confusing to build from the ground up. Look for apps or services that offer an easy to use and easy to install referral program out of the box. Native integration with leading

THE KISS PRINCIPLE

**KEEP
IT
SIMPLE
STUPID**

shopping carts such as Shopify allow an on-line retailer like you to have a fully functioning program up and running with only a few clicks of the mouse.

One thing to be mindful of however is also how you define 'easy'. It's one thing for a tool to offer easy campaign configuration, it's another thing to make it easy to build an effective campaign. Look for tools that don't just focus on easy setup but also help you with the tougher part of any marketing campaign (including a referral campaign) – targeting your marketing message at the right customers, not just any customers. Great marketing isn't just about sending out a message, it's about knowing how to craft a compelling message to send. A good tool should help you as much with the creative end of things as it does with the logistics of running a campaign.

2. Broadcasting positive word-of-mouth through social media channels

Across all merchants, up to 65% of new business comes from referrals. Better yet, the new customers who discover your store through a referral are four times more likely to buy than others. A well thought out referral platform will allow you, the on-line retailer, to create a network of positive referrals by leveraging the speed and reach of today's customers' preferred communication channel – social media. Studies have shown that three-quarters of consumers polled have been influenced to make a purchase by activities on social media (*Empathica, 2012) . Good referral programs should do this by providing an easy and seamless way to ask for recommendations from a retailer's most natural advocates – paying customers. Even better if they are active in social media!

3. Pay it forward

Making customers an active part of a retailer's marketing and growth provides an inherent loyalty incentive. As consumers we've all experienced the high of finding a great deal or an impossible to find product on-line. Many referral platforms can take those moments and make them easy for customers to share with their own network of friends and family. If you can configure your referral app to track the results of the referral activities and results, customers could be invited to collect points or other loyalty rewards such as discounts and free products. This kind of customer-led advocacy can turn your great products and great shopping experience into a viral marketing campaign.

Putting it all together

Building a successful on-line business requires great marketing. But great marketing doesn't have to mean spending excessive time and money to become a great marketer. Like many challenges, the secret is simple: knowing where to look for help, and how to get it.

For your e-commerce business, the great news is there is a built-in source for help with marketing. Turns out that source is an old-fashioned, tried-and-tested concept: your own customers. The key is knowing how to leverage modern technology to make it easier to ask your happy customers to provide you with some positive word-of-mouth and referrals. Better yet, these days there are simple-to-use tools that can take those referrals and spread those great messages across the internet, with just a few clicks of a mouse (or taps of a touchscreen).

Now that you know, go out there and **SUPERCHARGE** your on-line business!

SUPERCHARGE:

(verb : sü-perchärj)

- To charge greatly or excessively (as with vigor or tension)