

## Ep #429: How You Define Referrals



**Full Episode Transcript**

**With Your Host**

**Stacey Brown Randall**

**Stacey Brown Randall:** Do you love referrals, but hate asking for them? Well, then you've come to the right place. This is the Roadmap to Referrals podcast, and I'm your host, Stacey Brown Randall.

***Roadmap to Referrals* with Stacey Brown Randall**

## **Ep #429: How You Define Referrals**

For the next few episodes, we're gonna be covering what people get wrong about referrals. This is what I call the referral fundamentals. It's to generate referrals without asking, without incentivizing, or without manipulating.

You need to see referrals differently. This is where it starts. This is where it all starts. So these mini episodes are built to do just that, to help you see referrals differently.

So let's get started with referral fundamental number one. This is all based on how you define referrals.

Now, most people think they know the definition of a referral. And if I ask them to actually break it down for me, they typically do it not by a definition, but by an example.

And when I hear those examples, I usually know that they don't have a firm grasp on the actual definition of a referral. Because sometimes when we're talking about referrals, the nuances actually matter.

Because when you understand what a referral is, and when it actually shows up as a real referral in your business, it changes everything about how you can approach the situation, about what you say, basically how you respond.

It's really important to have the definition clear so that you can recognize what's arriving and what's close to being a referral that's arriving as well.

The biggest thing I see people get confused when it comes to referrals, because they don't define it very succinctly and correctly, is they confuse word of mouth buzz, sometimes called word of mouth referrals, which is not a thing, those are two separate things, but they confuse word of mouth buzz with referrals, or they confuse introductions with referrals.

And those are some big differences that actually sound pretty similar, which is why people get them confused.

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So I wanna break down the definition of referrals for you. And in addition to that, I wanna make sure you understand the cast of characters that are involved when a referral is happening.

Okay, so the definition of a referral, it's going to have two key pieces to its definition. Part one is that there's going to be a personal connection. Referrals come from humans.

They don't come from an algorithm, they don't come from Google, they don't come from a networking event. They come from a human, maybe at that networking event.

But when referrals show up, they are showing up because they are referred by a human.

Very important to understand, which means part one of our definition is that that human, that referral source, that's what I call it, that referral source that is referring someone to you is actually making the connection.

This is where you can see word of mouth buzz. I mean, because it feels like a referral, people think it's so close to being referral, but it's not because we're lacking that personal connection.

Someone told someone about you, gave them your contact information, but didn't actually connect you. To be a referral, a true referral, we need that connection.

So part one of the definition is a personal connection by the referral source to the prospect and you.

The second part of the definition for a referral is that there's actually a need identified in the prospect. That's the whole reason why the prospect is willing to talk to you.

It's the whole reason why the prospect is willing to be connected or referred to you by the referral source, because they've identified, yes, I do have this

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problem, and I'm at least interested in having a conversation about solving it.

So sometimes we'll see this with introductions, right? People will be connected, but you won't really know why.

And maybe it's an introduction for the sake of just two people meeting, and it is an introduction to grow your network.

But sometimes there's actually a hidden referral in that introduction, but it's not established who actually has the need, meaning who's the prospect in this introduction and this connection that's being made.

So sometimes an introduction is just that, an introduction. But sometimes it's a hidden referral. You've got the connection, but you don't know if there's a need identified.

Of course, that being the opposite with word of mouth buzz, right? You know somebody has the need, it's been identified, but you haven't been connected to that person who needs to hire you.

So understanding the definition is very important. First, personal connection. Second part, need identified in the prospect.

Okay, that makes sure, like from that perspective of understanding the definition, it's also then important you understand the cast of characters. So let me break that down for you real quick.

There are three characters in the cast when it comes to referrals. Number one is the referral source. That's the person who's going to connect you and the prospect.

Number two is the prospect. That is the potential client. That is the person who hopefully will say yes to working with you and pay you money.

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And number three is you as the solution provider. Those are the three cast of characters, and guess what? I also just listed them in order of importance.

Referral source is most important. Second is the prospect. Third is you. So you are important. You're just the third most important person out of three.

And a lot of people think the prospect is the most important person when a referral is happening because they have the problem and they're gonna potentially become your client and you get to solve it and help them.

But actually, while they are important as you are as well as a solution provider, the real person who's most important is the one making the referral happen, the referral source.

So now you know the definition and you can clearly identify the difference between a referral, word of mouth buzz, and an introduction, and you understand the cast of characters that are there when a referral is happening, the referral source, the prospect, and of course you as the solution provider.

Okay, so that is the first referral fundamental I need you to know. See how easy that was?

I told you these are like bite-sized mini episodes that we're gonna do as I break down each of the referral fundamentals because defining referrals the right way and understanding who is in the cast of characters when a referral is happening is the first step to shifting your thinking about referrals overall.

And we are gonna go through all of the fundamentals you need to know over the next few episodes.

Now, you can check out all of the episodes that are a part of the Referral Fundamentals series covering what people get wrong about referrals in the

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I also love feedback. So please drop me a comment. Bye for now.