

The Referral Manual

**The Simple System For Generating A Steady
Stream Of Highly Qualified Prospects**

By The Fitness Consulting Group

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Introduction

Congratulations of your purchase of The Referral Manual and thank you for giving us the opportunity to share these powerful systems and strategies with you!

The Referral Manual is a complete roadmap that, if put into action, will help you generate a consistent flow of new prospects without the headaches associated with traditional advertising and marketing.

Before we get started, I'd like to give you an overview of what you'll find in The Referral Manual.

This manual is basically divided into two parts:

The first part will teach you the fundamentals that will serve as the foundation for your referral systems. You'll learn how to truly separate yourself from your competition and how to attract the clients you want.

The second part will give you 24 separate approaches that you can use to start growing your business almost immediately. While you may be tempted to skip to part two, I'd strongly suggest against it. The systems that we've included will all be infinitely more effective if you understand and embrace the concepts presented in the first part of the manual.

I guarantee that if you employ what you're taught in this book you'll be rewarded with more (and better) prospects, more clients and more money.

Thank you again for your purchase of The Referral Manual, we truly appreciate your willingness to let us help you build your business.

Sincerely,

Pat Rigsby
The Fitness Consulting Group

P.S. Please email us and tell us about your referral system successes, we would love to hear about them! My email is Pat@FitnessConsultingGroup.com and Nick's is NickBerry@FitnessConsultingGroup.com.

Chapter 1 – Why Referrals?

Referral marketing is one of the most effective and lucrative strategies for creating steady streams of prospects and clients. Referrals are more valuable than typical prospects because:

- Referral-generated clients are the most cost-efficient, profitable, and the most loyal source of new business you could ever dream of acquiring.
- Referral-generated clients are pre-sold so they commit quicker and for larger programs, negotiate less, stay longer, and refer more business to you.
- Referrals are generally better clients. People typically surround themselves with similar people – so if you have great clients referring prospects to you, you’ll typically end up with more great clients.
- They save you time. If your “sales force” is feeding you a steady diet of new prospects, you can spend less time on lead generation.
- You can easily set up referral systems that are fool-proof strategies for dramatically increasing your client base and your income!

The philosophy of referrals:

Your referral systems leverage all of your marketing tactics by getting others to be your “sales force.”

We are not suggesting that your business should move to being a 100% referral-generated enterprise - although many fitness professionals’ businesses have. They have benefited spectacularly from referral marketing, and so should you. What we are suggesting is that you find / create 3-5 easy to use referral systems that will each generate a 20%, 30%, 40% (or more) increase in clients and profits for you.

If you were to consistently use 3-5 referral systems, they could quite literally bring

you profound and ongoing growth in both increased clients and profits!

So what are the keys to developing a referral driven business? And why do so few fitness professionals get the number and quality of referrals they could?

Read on and by the end of this manual you'll not only have the answers but you'll know exactly how to turn your client base and sphere of influence into a highly successful sales force for you and your business.

Chapter 2 – Why Should People Refer To You?

All around the world people are tuned into a unique radio station. It's called **WIIFM**. This radio station is on a very narrow and selective frequency.

In order to get the maximum number and quality of referrals, you need to broadcast your message to your clients on this radio station. In other words, you need to learn how to broadcast all your messages through **WIIFM**'s very selective and narrow frequency.

Fortunately, the **WIIFM** frequency is fairly predictable. In fact the name **WIIFM** describes all you need to know to broadcast your message on **WIIFM**. The special frequency used on **WIIFM** is very straight forward. It is ...

“WHAT’S IN IT FOR ME”

This means that when you ask your clients or friends to give you referrals, they are silently asking “*What’s In It For Me?*” You need to start communicating to your clients and friends in a way that makes it plainly obvious, to them, exactly how they will benefit by giving you referrals.

Your clients and friends are silently asking:

“How will I benefit by referring people to you?”

No benefit to them = No referral for you.

Most fitness professionals have unsuccessful approaches to generating referrals because they ignore **WIIFM**. In other words, they don't give their clients or sphere of influence a compelling enough, self-serving set of reasons, to give referrals.

So, you need to specifically tell people what **THEY** will get out of helping **YOU**.

So prior to asking for referrals, decide how you to ensure the referrer will benefit

from sending business your way.

And it doesn't need to cost you anything.

The First 3 Answers to WIIFM

No matter what, you should give such extraordinary service that your clients feel indebted to you and want the satisfaction of helping you grow your business.

Extraordinary service also means that new clients will be incredibly appreciative to their friends for introducing them to you. If your current clients can see how much their friends will be thankful for being referred to you, then they'll give you a lot of referrals.

Two Additional Reasons Why Your Clients Will Benefit When They Refer People To You:

1. You'll have more time available to focus on your clients and on improving your service because you won't have to spend as much time doing other types of marketing.
2. You won't have to spend as much money on other forms of marketing. This means that you can either pass the savings onto your clients or offer an even higher level of service.

Be honest with your clients. Tell them that by referring people to you, they'll be helping you save marketing dollars and time doing marketing. Then tell them what this means for them. Say "This means that I'll be able to keep your rates from going up and I'll be able to put my entire focus on continually getting you your desired results instead of dividing my attention between your success and my need to get more clients."

Using Ethical 'Bribes' ...

You can also offer what we call an "ethical bribe". This is where you ethically bribe your clients or your sphere of influence to give you referrals by giving them incentives in return for referrals.

You make it so irresistible for them that they feel a compulsion to refer people to you.

Between giving your clients a quality of service that they'd want those close to them to benefit from and by giving them incentives, you've created a culture that ensures referrals.

In our example referral systems you'll notice that they all have one thing in common; they all provide the referrer with a self-serving benefit for giving referrals.

Chapter 3 – The Basis Of All Referrals

Just as all referrers tune into the station WIIFM, all successful referral systems have a foundation as well. That foundation is a simple 3 step progression.

1. **Earn**
2. **Ask**
3. **Reward**

The first step in this progression is to **Earn** the referral. One thing is for certain...

Satisfied Clients Do Not Refer!

It's not enough to have satisfied clients. You need to go way beyond that. To receive a flood of referrals you must have...

Raving Fans!

This all gets back to providing extraordinary service. You need to earn your referrals. You can't expect your clients to refer their friends, co-workers and family members to you if you don't over-deliver on what they've purchased from you.

It just won't happen.

In fact, the most compelling referral system will not persuade unhappy clients to give you referrals. Nobody wants to look bad among their peers.

Your first step is to give outstanding... over-the-top service. A question that Walt Disney used to ask himself all the time, which helped make Disneyland so successful, was...

“How Can We Do What We Do So Well, That Our Customers Can't Help But Tell Their Friends About Us?”

You want to make the process of doing business with you... so enjoyable... so much of a joy; that clients can't help but tell their friends.

Notice we're not even speaking about your services. We're talking about the interaction... the human interaction clients have with you and your staff. We're talking about making the act of doing business itself so pleasurable that it leaves a mark on your client.

It all gets back to the Golden Rule – Treat others as you want to be treated.

Sounds simple, but do you or your staff do it?

How would you treat your clients if you imagined they were family? Would you treat your clients with a different level of respect?

Always approach every transaction in your business as an act of giving... not receiving. Extend yourself over and beyond the client's expectation levels. This is so important. Don't overextend too far however, otherwise you may not be able to sustain that level. Extend just enough so your client says "Wow... I wish every business treated me that!"

The 2nd Step Is To **Ask** For Referrals.

I know this sounds simplistic, and it is. But it's amazing how many fitness professionals simply do not ask for referrals.

Maybe they're uncomfortable asking for help.

Maybe they're embarrassed.

Maybe they feel as if they don't deserve them.

If you're not asking for referrals on a consistent basis, you're really missing out.

Think about how much you improve the quality of your clients' lives. You improve their health, their self-esteem, their relationships, their energy levels not to mention the physical changes that you help them achieve.

You Deserve Referrals!

When is the best time to ask for referrals? The ultimate time to ask for a referral is at the time when your client praises you for your work... or... when you've completed their program and the results are in.

If you don't get an automatic praise, you'll need to ask for their opinion. At this stage, if you have done a great job (not a good one), it's the perfect time to ask for referrals.

How do you ask for referrals? Well, there are tons of ways. Here's a simple example of a way you could ask a client that just thanked you for your help.

That's when you say...

"Thanks for your kind words. Listen... we're trying to grow our business... and instead of spending lots of money on advertising, we've decided to invest back into our clients. If you have any friends, family or co-workers that would enjoy making the same type of improvements in their body and their health that you have, you can introduce them to us and we'll give them a FREE Comprehensive Assessment and a Complimentary Personal Training Session. They just need to present this letter discreetly when they come in, as this offer is unavailable to the general public."

Can you see how simple this is? People appreciate when you go that extra little more for them. At this stage, you can either ask for the referee's name and address and enter it into your database... or... you can give your patient a gift certificate for the services (with the referee's name on it)... or... hand them a letter which explains the offer which they give to the referee.

Also, you'll want to jog their memory. In the initial stages of the script you could say...

"Thanks for your kind words. Listen... we're trying to grow our business... and instead of spending lots of money on advertising, we've decided to invest back into our clients. When you're at home, at work... or... even at a friend's home, you may think of people you care for that could benefit from making the improvements that you have. When you do please hand them one of these vouchers..."

And you'd go into the rest of the script. This is what's called a 'posthypnotic command'. You need to jog your client's memory, and give them a focus. You can't just say, 'give this to people who would like to lose weight'. That's way too broad. You need to say, "who out of your immediate family would like to make the same improvements that you have?..." "Who in your extended family... cousins, uncles or aunts could benefit from making the improvements that you've made?..." "Who do you know at work that would like to make the same improvements that you have?..." "Who in your close circle of friends would like to make the same improvement that you have?..." and so forth.

Or, you can approach it from this angle:

“Thanks for your kind words, I really appreciate it. Listen, I’d like to give you these (hand over gift certificates). They are FREE Comprehensive Fitness Assessments. We normally don’t do any free assessments at all because we’re so busy... but... as a service to you, if you have any friends, family or co-workers that would like to make the same improvement that you have? You can give them these gift certificates and they’re welcome to come and receive a very thorough Fitness Assessment. This way we can advise them about the best course of action to take to achieve their fitness goals. These gift certificates expire on the 31st of November, and they must bring it in receive their assessment.

Or you can send a letter. The following is a simple example:

Dear Ms. Jones,

I’m writing to you today to let you know about a new service we’re offering as a courtesy to our clients. For quite a while, our clients have been asking us to assist friends, acquaintances and family members who felt they could benefit from the services that we provide.

We’ve decided to offer for the next 3 months, a seminar each week, where loyal clients like yourself can refer people they know who would like to improve their health and fitness. This would at absolutely no cost to your valued friends and family members.

We will be offering this seminar to the general public at a cost of \$29. However, if somebody dear to you that would like to experience the same dramatic success that you’ve achieved; we will allow them to attend for free.

During these seminars we will share the information that the billion dollar weight loss industry doesn’t want the public to know. We will dispel the myths, address the lies that the marketers tell that actually keep people from losing weight and we will also teach your friends and family members exactly how they can lose unwanted weight, gain more energy and improve their health.

So for the next three months, every Tuesday night at 7pm we’ll be offering this life changing seminar at a cost of \$29. But if you know of anyone, invite them as you’re special guest and they can attend free of charge.

Simply, have them contact me directly at (123) 555-1234 or at joe@joetrainer.com and mention your name.

Sincerely,

Joe Trainer

P.S. Remember, this is only for a limited time.

The most important factor in this letter is the offer. What you offer your client, and/or their friend is what is going to determine the amount of referrals you receive (outside of your WOW service, of course). So you'll want to experiment and test many, many referral concepts.

The third step is to **Reward** referrals.

Let me ask you: how do you feel when you do a favor for a friend... you've extended yourself... and... you DON'T receive a thank you in return?

You feel resentful don't you? Sort of like you wasted your time... and... regret putting yourself out.

Isn't that true?

Well, the same applies with referrals. If any of your clients give you a referral...

You MUST Reward Them!

Remember, anything you reinforce you get more of. When you reward the behavior of referrals... you get more in turn!

And how do you reward referrals?

Oh, I don't know... can you pick up a phone and say...

Thank You?

Can you drop a letter in the mail and say you appreciate their kind assistance and that you'll do your best to help their friend out with their problem? Can you send a gift?

What you give is a decision for you. Remember, you need to first GIVE... in order to RECEIVE.

Above all though...

Remember that you're rewarding the behavior of referring – not the act of the referred prospect purchasing your services. Reward the behavior if you want your

client to repeat it.

Chapter 4 – Help Them Help You

Many times when you ask people for referrals, you will receive a quick response such as “I don’t know anybody who really wants to use a trainer right now.” Most of the time this isn’t a maneuver to avoid your question. They honestly may not know of anyone when you ask such a generalized question.

To help them remember you should quickly educate them. Give them reasons why someone would want to do business with you.

Here are two quick methods to educate them:

First: give them your “elevator pitch” – a short description of your business and your Unique Selling Proposition, why someone would need to work with you, and a profile of your “ideal client.”

Second: Remind them of people who may fit in the following categories:

- Employees and Colleagues
- Family, Friends, and Neighbors
- Others they may do business with
- Members of Associations, Churches, and Special Interest Groups

Third: Remind them of people they may know because of specific events. Use the following categories to jog their memories. You too can use the following categories to find more people you know whom you may want to solicit referrals.

People:

- Who have had a child
- Who have recently married
- Who have recently had a baby

- Who have recently moved to the area
- Who came to their office
- Who are their colleagues

The Unique Selling Proposition

We have found that most fitness professionals haven't given much thought about who they are, what they are, and why people should choose them as their preferred method of achieving their fitness goals. They haven't ever thought about what their message is to the marketplace. They have no clear and concise answer to the question, "Why should I work with you instead of anyone else out there offering the same of services or promised results?"

Let's do a little exercise together. Go to the Yellow Pages and look at all the ads in the weight loss category. Look at the message of each of those ads.

Do you see any messages that stand out from the rest? More than likely the answer is "No". *Everybody is saying the same thing!*

Dan Kennedy, a direct marketing guru and successful author, calls this "marketing incest". Businesses in a particular industry start saying the same things the same way as other businesses in that industry. They have the mistaken belief that it must be working if other businesses in that industry are doing it.

So then after a while, everybody in that niche is copying everybody else. All the ads and promotions look the same and convey the same basic message.

And "marketing incest" is no different than regular incest. Pretty soon everybody is stupid!

Doing things the same way as everyone else will get you the same results as everyone else!

So the question you need to ask yourself is:

Why would people call you instead of anyone else in the marketplace offering what appears to be exactly the same features and benefits as you?

You must give prospective clients a reason to call you that is different than everybody else out there. You need to develop a marketing message that sets you apart from all other fitness providers and states clearly and concisely to your

prospective clients why they should choose you.

This message is called a "**Unique Selling Proposition**" (**USP**). Your USP is a marketing message that separates you from your competition. Your USP tells people what makes you different and unique from all the other fitness providers, and therefore why a potential client should choose you over any and all other options.

It also announces the main benefits your business has to offer. Your USP should answer this question:

"Why Should A Prospective Client Choose You Versus Any And Every Other Fitness Provider, Health Club or Weight Loss Center... Or Any And All Other Options?"

About 20 years ago, two brothers decided to put themselves through college by starting a small business. They chose a very competitive area, and in a short time the business was unsuccessful and one brother left the business, selling his share to the remaining brother for a used Volkswagen bug. The remaining brother decided to try to make something of the business, and developed a USP that literally revolutionized the industry:

"FRESH, HOT PIZZA DELIVERED IN 30 MINUTES OR LESS, GUARANTEED!"

Do we need to tell you the name of the company? In fact, if you walked outside and asked ten people to say the first word that popped into their minds when you said "pizza", seven or eight of them would say "Domino's."

At a time when you wouldn't have thought the world had room for another pizza place, Domino's became the most popular of all, due primarily to a simple message that differentiated them from everyone else. This story demonstrates how a powerful USP can make an extraordinary difference! And because it can make so much of a difference, you absolutely must create a strong USP for your club.

Now, if you analyze the Domino's marketing message, you'll notice some very interesting things. First, it doesn't claim to be all things to all people. It doesn't mention Momma's special sauce recipe from the old country. In fact, there's not even any mention of the pizza being good. All it says is that they'll get it to you while it's still hot and it's still fresh, and that they guarantee to do that. It answers the question of *why* you should do business with them. And it built an identity in their marketplace *very quickly*.

Second, it is very specific and meaningful. It doesn't say, "It'll be there soon" or "It'll be real good." It says exactly what it means: FRESH, HOT, IN 30 MINUTES,

AND GUARANTEED.

It's a clear, compelling, really great marketing message, and a good model to look at and keep in mind when you start to structure a USP for your business.

Now a lot of clients ask us, "Can't you just *give* me a USP?"

No, because if we *gave* you one, it wouldn't be **unique!** Your USP as to convey what is unique to your business.

It can't be a boilerplate fill-in-the-blanks statement. But we *can* give you a few examples.

Our USP (the one we use for our training business) is:

"We help people quickly and permanently lose unwanted fat without dangerous drugs, fad diets or ineffective gimmicks with less than 3 hours per week of exercise."

Guess what the response is to our USP?

"Really? How do you do that?"

That's exactly the response we want! They basically just stood up and raised their hand and said, "I'm interested in what you have to offer!"

They opened the door for us to present what we do. We didn't go chasing them down. They're pursuing us! So your USP should be compelling enough to prompt the prospect to ask for more information.

Now when people ask what we do for a living, if we were to respond with, "we're trainers". . .the prospect's eyes would probably glaze over and their reply would probably be, "Oh, I see" while feigning interest. In that scenario, he has absolutely NO IDEA what sets us apart... and worse yet, they think it's of no interest to them because we haven't told them how what we do can benefit them.

If someone asks you what you do for a living and you respond, "I'm a trainer" or "I am a fitness professional", the response will probably be the same as the one you would get. People just don't care until you show them how it benefits them! WIIFM, remember?

Now you may stumble upon the rare individual who will say, "Oh really. I've been thinking about working with a trainer." Congratulations! You just lucked out. You just got a prospective client in spite of your feeble USP. Hey, even a blind squirrel finds an acorn every now and then!

But what if you had responded like this:

"I help people achieve the body of their dreams while gaining more energy, living longer and feeling better about themselves while having fun in the process".

How many people do you think are interested in learning how to do that? Quite a few. But many of them have *no idea* that a trainer can help them do that. Trainers aren't for them – they're for movie stars. Now when they ask, "How do you do *that?*"...*they* have just opened the door for you to present your offer.

Give them an invitation to a seminar or invite them to a free personal training session.

If you have business cards - you should have your USP on your guest passes. In fact, you should have your USP on all your correspondence, letterheads, etc.

Most business cards have about the same impact as our "we're trainers" statement. They show your business' name, address, and phone number. They have a web address and perhaps a picture. Unless you've lucked out and stumbled upon somebody who was just looking for what you offer, people will pitch your business card in the trash as soon as you're out of sight.

If you don't have a USP that sets you apart from your competition (and all other options), you give your prospect little choice but to base their decision to use you on **price**. And as a trainer you'll always lose on price when competing with clubs, weight loss centers and fad supplements.

If you permit yourself, your business, or your services to be perceived as a "commodity", your prospects must choose between you and your competition solely based on "price".

You do not want to compete based on price. It undermines everything we are trying to accomplish. Besides, what kind of message does, "We're the cheapest!" broadcast? It's definitely NOT the image you want for your business.

Almost all trainers who compete on price alone get out of the industry in a very short period of time. Here's why: There is always another "solution" willing to under-cut your prices in order to steal your clients. If you have nothing unique about you and you're competing on price alone...why would your clients stay with you? They won't! So you need a strong USP to attract *and keep* clients.

There are five primary ways to differentiate your business other than just "price":

1. Process
2. Personality

3. Product
4. Service
5. Marketing

Within these five areas you'll find the right one (or ones) on which you can create a powerful USP. The basics for developing a compelling USP:

- 1. It should offer something truly unique that sets your business apart from everyone else.**
- 2. It should be a clear, concise statement with meaningful specifics, not vague generalities.**
- 3. It should convey specific benefits to your clients, and you should be able to communicate it in 60 seconds or less.**
- 4. It should communicate an emotional want in a way that makes an emotional connection with people.**

It's important that you dedicate the time to developing your USP now... one that will differentiate you and make a difference in your marketing and your business. And do this before you start implementing any of the strategies in this manual. Because what we're going to do is position you so you're only talking to highly qualified, interested prospects who are eager to talk to you...rather than prospecting - which is talking to people who really don't want to talk to you and aren't qualified to work with you.

Developing a Great Guarantee as Part of Your USP

In any transaction, someone is taking all or most of the risk. It's either you, or your prospective client. Most businesses make the client take all the risk. The client risks money if the product or service isn't what it's been promised to be. They risk wasting time because they may have to wait much longer than they've been told they will have to wait. And they risk looking stupid if they make a bad purchase.

People like to do what is safest. We don't want to look stupid, waste time, get a bad result, or waste money. This means that ...

When you have a powerful guarantee which protects your prospective client fully from any possible risk, and you clearly communicate that guarantee to your prospective clients, they'll be much more likely to trust you and buy.

Address Key Frustrations ...

There are many different types of guarantees. The best guarantee addresses the most common dislikes or hates people have in dealing with you or the fitness /

weight loss industry as a whole.

For example, with diets, people hate feeling very restricted. With health clubs they feel as if they're dealing with sleazy sales people.

So chose a guarantee that protects your clients from experiencing their biggest frustrations they have when dealing with your businesses or with our industry.

Your business will become a lot more appealing when you do.

For example, you could implemented the following guarantee if you found out that a lot of people get very frustrated when trainers don't listen to their individual needs:

“If you think, at any time, that we haven't fairly addressed your individual needs and preferences about how we go about improving your body and your quality of life, just tell us and your session is free.”

Think about this: If your major hesitation with using a personal trainer is that either you met with one at a health club and they gave you a cookie-cutter program or you worked with a bodybuilder / trainer that had you taking 25 pills a day and eating nothing but egg whites and oatmeal, wouldn't you chose a trainer who promised to base their program around you, your preferences and your needs? Wouldn't this immediately give such a trainer a competitive advantage in your eyes over all other fitness providers?

Make Sure You Deliver

This is obviously very important. If you have a guarantee and you know that you can't deliver on it, then you're going to lose a lot of money and a lot of credibility. For example, if you don't think it's possible to be on time, don't have an on-time guarantee. In you don't think it's possible to continually give uninterrupted service to your client, don't have a no-interruptions guarantee. Have a guarantee that you can deliver on, time and time again.

Why Implementing a Guarantee is a Lot Safer Than You Think ...

The common responses I get from trainers when I tell them to implement a guarantee are: “people will try to take advantage of me” or “doctor's don't offer guarantees.”

As for the first response: Yes, that is possible, but unlikely and nothing to worry about. Here's why...

We've offered a money-back guarantee on everything we do for over 18 months and have *never* had someone ask for a refund. We've had over 675 clients in that time.

Not one refund.

People will get results if they do what you tell them. If they don't – they feel at fault and don't feel comfortable asking for a refund.

Even if A Few People Are Unethical, You'll Still Win ...

Even if a few people try to take advantage of your guarantee, they'll be so few compared to the many new clients you'll get from having that guarantee. In fact, from all the studies I've read on guarantees, most conclude that a maximum of 1% of people will ask for a refund when the business lives up to its promises.

In my experience, the vast majority of people are ethical. So, we feel it's our duty to give my clients the added protection of a guarantee because they are honest people. And they far out-number unethical people.

Whenever your clients and your sphere of influence interacts with the people in your business, whether it is with you, your staff or even other clients, all these people can be marketing for you when they understand, buy in to and communicate your USP.

The more you educate your client base on the benefits they are getting from you, that they couldn't get from anyone else, the more you'll be building deep rapport and a solid foundation for referrals.

How to easily attract exactly the type of clients you want...

The quantity of referrals is important but just as important is the quality. You want to attract people who are kind, courteous, arrive on time, and who pay you what you're worth for your services. In other words, you want to attract ideal clients to your business.

So, how do you attract ideal clients?

Well, it's actually very simple. The first step is to...

1. Determine Exactly Who Your IDEAL Client Is.

You can't attract hordes of ideal clients to your business if you don't determine who they are, so who's your ideal client? What characteristics do they have?

Do they always pay on time?

Do they stay with you for an extended period of time?

Do they refer?

Are they on time?

Are they kind and considerate people?

2. Be Honest With Yourself - Would Your Ideal Client Want To Work With You?

Really have a think about it and don't kid yourself. If you lie to yourself, you won't be able to improve your business to the level you deserve.

So what's the answer?

If your business is exactly what your ideal clients are looking for then you're ready to attract them in mass quantities.

But, if your ideal client wouldn't want to work with you at the moment, that's alright too. At least now you're aware of how things really are and you can change them. Sometimes awareness can be enough to cause you to take massive action. When you're honest you can improve the situation.

So, if your business is not quite there yet in terms of being able to attract your idea clients, then you're sitting on a goldmine.

If you're not certain that your ideal client would want to work with you then...

What Would Your Business Need To Be Like For Your Ideal Client To Be Drawn To It?

Would you need to always be on time?

Would you and your staff be friendly, helpful and courteous more consistently?

Would you have to overdeliver with thank you cards, more personal attention and a passion for doing the "little things?"

3. Who Do YOU Need To Become To Attract Your Ideal Client?

Do you need to be a person who is continuously thinking of new ways to give

more and more benefit to your clients? Do you need to be a person who is continually learning more about marketing, client service, leadership and business? Do you need to be a person who is a lot more meticulous about details? Do you need to be a person who loves learning and who is always looking for ways to think differently, improve and take new action?

Rate Your Clients

Since most people surround themselves with people who are similar, do you necessarily want to ask your worst clients to refer you their friends? Unless you are really struggling for business, that would be a crazy idea! You'd be likely to get more clients like them ... terrible clients!

So rate your clients on a scale of 1-3 with the "one's" being your favorite clients...those clients that you can't wait to walk through the door.

The "two's" are your average client. They show up, do what you ask of them for the most part and are a solid part of your business.

The "three's" are those clients that you want to fire. They complain, show up late and cause 90% of all your headaches.

Now – focus most of your referral efforts on getting your "One's" to refer to you. Run special referral promotions specifically for them.

Does that mean you don't want your "Two's" to refer. No...you can put effort into getting them to refer as well. But really try to leverage your best clients and eventually your business will be virtually all "One's."

Chapter 5 – The Lifetime Value Of A Client – Your Referral Edge

If you know the "Lifetime Value" of your clients, you can double your profits almost overnight. It's the "Referral Edge" that will allow you to know exactly what you can afford to spend to bring in a new client.

For those of you who are unfamiliar with this, let me explain what the Lifetime Value of a Client is...

**The Lifetime Value Of A Client Is The
Average Monthly Gross Total Of Revenue Per Client,
Multiplied By The Number Of Years They Remain
Your Client.**

For example: Your average client spends \$400 per month with you between training and any retail offerings you have. Let's say on average your clients stay with you for an average of 1 year before moving on.

This makes your average client worth \$4800 in gross revenues to your business. (At the end of this section is a form to help you calculate the Lifetime Value of your Clients).

Even if you just approximate the numbers, you'll start to get an idea of what every client is really worth to your business.

Why is it so important to know this? Well, knowing the Lifetime Value of your Clients gives you a HUGE "Referral Edge". Armed with this information, you will now be able to know what you can spend to acquire new clients.

In Health Club Marketing Magic we told a story of a businessman who started a country club-style business...here it is:

A gentleman in Australia spent \$1 million on building three tennis courts, swimming pools, game rooms and barbecue facilities. The place was extraordinary. There was only one trouble: He didn't have any customers!

For one month he advertised in the local newspapers:

FREE Tennis Lessons, FREE Court Time, FREE Barbecues and Swimming Pool Parties. Guess what happened? The place was packed from 7a.m. till 10 p.m. every day that month. He gave away lots of tennis lessons, food and court time. It

*cost him a few thousand dollars. But the interesting part is that at the end of the month, **he had a booming business!** The courts were booked solid and have been ever since. Why is that? People got used to playing at his courts instead of someone else's. His complex was impressive and he charged more than the others.*

This man knew the Lifetime Value of a Client.

The form that follows will help you calculate the Lifetime Value of your Clients. If you're not sure of some things, just estimate. The key is having an idea of what each client is worth to you. We'll explain more in the next chapter.

Your Magic Number - The Lifetime Value Of Your Client

Average Per Session Rate (\$):

(Multiplied By)

Average Number of Sessions Purchased Monthly:

(Added To)

Average Peripheral Purchase Value / Mo. Per Client (\$):

EQUALS - Monthly Value Per Client (\$):

MULTIPLY BY - Avg. Number of Months of Business Relationship:

EQUALS - Lifetime Value Of Client (\$):

Chapter 6 – You Buy Your Clients

Marketing, and therefore referral systems (the best approach to marketing), is simply the process of buying new clients.

So, let me explain what I mean by buying new clients ...

Let's say we launch a direct mail campaign and send a 3 letter sequence to prospects. It costs us \$600 to create and mail the sequence to 400 prospects. We got 6 new clients. So, because we invested \$600 to get 6 new clients, we paid \$100 to 'buy' each client.

This is the way I want you to think: Whenever you do marketing of any kind, you are doing nothing more than investing money to buy new clients.

And before you ever do any marketing, you need to decide how much you're willing to pay for each new client. That's where your Average Lifetime Value of a Client is so valuable. You can be sure that the marketing investment you make is profitable. Let me walk you through a process to help you decide how much you can invest to buy a new client.

If you have an average lifetime client value of \$2000 – you need to recognize that this is a gross number. You need to identify what your costs are to service these clients. So you should calculate all of the costs incurred to provide the services, rent space, cover expenses, etc.

This will leave you with a net number. For the ease of math, let's say that the Net Lifetime Value of Each Client is \$1000.

If you're spending the \$100 per client I alluded to before, then you're getting a true 10 to 1 return on your investment. Now you just have to decide what an acceptable return on your investment is based on your cash flow and the fact that the marketing cost is "up front" while the LCV is spread out over the duration of the time you do business with each client. If you have good cash flow and a high volume of existing clients, the percentage that you can spend will likely be higher. If your cash flow is poor or you have few clients, then you probably can afford less.

Referral Systems Are One Of The Safest Ways To Invest Your Marketing Dollar ...

Here's another reason why referrals are your best prospects – with referral marketing you can decide exactly how much you are going to spend to acquire a client. You will pay a small fee for all referred prospects – perhaps a thank you

card or a small token of your appreciation – but you only pay “full price” when you get a new client.

This is different than in typical marketing because if you use the example we worked with before, the quality of your letter, the demographics of your list and your ability to close prospects will all factor in to whether the \$600 you spent produced 1 client, 6 clients or 10 clients. You are spending \$600 no matter what. With referrals, aside from the nominal cost of thank you cards or whatever you deem appropriate, the only way you spend \$600 is for 6 (or whatever number your LCV allows) new clients.

It's Time To Do Some Calculations ...

So you need to decide how much, in dollar terms, is the maximum you're willing to invest to acquire a new client. Calculate the gross LCV of your average client and then the net LCV. Then assess the current status of your cash flow and existing client base. Here is a general guideline to start with:

If you have a very health business, you can easily spend 20% of net LCV to acquire a new client.

If you have a moderately health business, you can spend 10-20% of net LCV to acquire a new client.

If your business is relatively new or has poor cash flow, spend 5-10% of net LCV to acquire a new client.

Remember, these are only guidelines. If you choose to spend less, that is perfectly fine. Consider these the maximum amounts that you're willing to invest.

One final thing before we move on to the referral systems...

You need to allow enough time to test each referral system and the amount that you're willing to invest. Like anything else in business, to decide whether or not it's something to keep, you must test. I would pilot each system or incentive 4-8 weeks to get significant information on whether or not it's worth keeping as part of your business.

Chapter 7 – The Referral Systems

Here they are. Hopefully you didn't skip directly to this section as learning and implementing everything that was presented in the previous six chapters is crucial in getting the most from these systems.

There are 23 separate Referral Systems that you can use, model or manipulate into your own personalized approach for getting a steady stream of pre-qualified, high-quality prospects. Obviously, you don't need all of these systems, so pick 2-5 that you think will be a good fit for you and your business and test them for 4-8 weeks. If you're happy with the results, continue on – constantly seeking ways to incrementally improve the systems that you've chosen. Here are 23 of the industry's most successful referral systems for you to choose from:

Referral System #1: Make it a Condition of Doing Business

Description: Make it a mandatory part of being your client. I know - it sounds easier said than done - but hear me out. This is especially effective if you have an in-demand service. State from the onset, as a condition of working with you, clients each need to refer 2 friends. Obviously, you have to be tactful about it. Here's an example of what you could say:

“If I do everything I've promised and you lose those 20 unwanted pounds, will you provide me with 2 referrals of friends, co-workers or family members that could use the same benefits?”

So, at the very beginning clients know what they're in for.

Referral System #2: Your Community's Best Businesses

Description: My friend Brian Calkins has instituted this one with great success. What you do is compile a list of other types of businesses that also serve your ideal client. After you've developed a comprehensive list of these types businesses, search through your database of clients, friends and contacts for people that operate businesses in these categories. If there are business categories that you have no contact, look for a mutual friend that can serve as a liaison to a successful professional in that category. Now rank the professionals in each category as to which you'd prefer to affiliate yourself and your business with most. Send the “Tier 1” professionals a letter suggesting that you'd like to invite them to be a member of “Your Community's Best Businesses” and receive referrals from several of the other premier professionals in the community. Let them know that your goal is to create a network of the best local professionals in hopes of best serving each member's

customers or clients and providing high quality referrals for the members.

This group would meet once a month and you would serve as the host / leader (another way of subtly enhancing your perception among group members.) Each member would be able to present for 10-15 minutes as a means of educating the group about their business and how it would be of benefit to their customers / clients. Each member can make special offers to customers / clients of fellow group members, do endorsed mailings, etc. To increase the perception of this group, you could launch a website (youtownsbestbusinesses.com), do a newsletter or provide testimonials of happy cross-referred customers.

This involves a little more work than most of the other referral systems, but done well, it could easily provide you with more business than you could ever handle.

Referral System #3: Referral Survey

Description: The strategy is simple:

Once you've delivered great experiences, wonderful service and outstanding results... you are laying the groundwork for many referrals.

Here is a simple way you can capitalize on the goodwill you've created with your client...The Referral Survey!

The client will be asked to complete a trainer survey. People love to provide their opinions! This survey is unique because in addition to providing valuable business feedback, it also stimulates referrals on the spot.

How it works:

In most businesses there is a psychological point in the relationship, in which the client reaches what we call "peak satisfaction." Let's say this is after an assessment in which the client lost 3% bodyfat, or on the graduation of a 12 week program. This moment will vary client by client. I'm sure you know when clients are most satisfied. You want to ask the client to complete the Referral Survey at the conclusion of that visit.

(I hope I don't need to point out, you should never call this a "referral survey"!)

Why the referral survey works so well:

- ✓ As the client completes the survey, they "sell themselves" on their good experience.

- ✓ Each question validates their positive experience.
- ✓ By the time they reach the referral question, they are psychologically very pleased with their experience, and happy to give a referral.

Referral System #4: Cash Reward

Description: Remember, you buy your clients - so this is a great strategy because many people respond to cash over gifts.

Simply tell your clients that you'd prefer to pay them for sending you new business instead of the newspaper or radio. You recognize that there is a cost associated in acquiring new clients and you'd prefer to get more clients like the one's you currently work with – so who better to reward than those very clients as they undoubtedly surround themselves with people similar to them.

Decide what is a reasonable amount to offer based on LCV and your current cash flow and let your clients know. You can also offer to donate that amount to their favorite charity if they do not want the cash.

Referral System #5: Standardized Free Gift

Description: You could give away “The Ultimate Wellness Package” to each client who refers a friend. The package might contain an hour massage, a month's supply of your preferred MRP and a foam roller.

The advantage here is that the perceived value retail products is much higher than your wholesale cost and you could barter for the massage. You could get gift certificates to a local health food store or perhaps a spa – and barter for reduced fees at either.

To start with though, keep it simple and remember to test each gift you offer to see how attractive it is to your clients.

“For everyone you refer to us, we'll give you your own “Ultimate Wellness Package” that includes...”

Referral System #6: Preferential Price for “Champions”

Description: Decide what you'd like your base rate to be. Now add \$10-15 to that

rate and announce that as your regular rate. When someone has referred the pre-determined number of people, they now gain access to the lower (which was your desired rate in the beginning) rate.

“Our normal per session rate is \$75, but for our “business champions” – those who have referred 4 or more people, the rate is only \$60 per session.”

Referral System #7: “Thank You” Gift Certificates

Description: After a meaningful moment during a client’s time with you – perhaps after they’ve met a goal or finished a 12 week program – hand them a gift certificate and tell them: *“Here’s a gift certificate that you can give to a friend, co-worker or family member that would like to enjoy the same results that you have. It entitles them to get \$50 off of our (name of program) program as a gift from you. And as a way of saying thank you for being such a great client I want to give \$50 off of your next package as well.”*

Referral System #8: “Thank You” Postcards

Description: Similar to the Thank You gift certificates - after a meaningful moment during a client’s time with you – perhaps after they’ve met a goal or finished a 12 week program – hand them 2-3 pre-printed and stamped postcards that detail a special offer and tell them: *“Here’s are 3 postcards that you can address to people important to you that you’d like to see benefit from changes similar to the one’s you’ve made. It entitles them to get \$50 off of our (name of program) program as a gift from you. Simply address each postcard to someone important to you and sign them and I’ll be happy to put them in the mail. And as a way of saying thank you for being such a great client I want to give \$50 off of your next package as well.”*

Both of these “thank you” strategies can be very powerful, but you need to make sure that your current client gets the credit for the gifts they give to their friends. If they don’t get something out of giving the gift to their friend they’re highly unlikely to do so. So, one way to create an incentive for your clients to pass on the gift voucher to their friends is to include a statement on the certificate or postcard that says: *a special gift for you from (your current client’s name)”*.

Referral System #9: Testimonials

Description: Testimonials are one of the most valuable marketing tools you can have – yet most fitness professionals don't take full advantage of them. When you help a client get results, get a testimonial. While this isn't a direct referral, because most of your clients live in the same communities, shop in the same stores and often know one another – this can be an indirect referral as the fact that someone a prospect knows has worked with you and received results helps the prospect feel comfortable doing the same. You can also go a step further and do a direct mail to the client's neighborhood using the testimonial as the foundation for the letter. Don't forget to get before and after photos if at all possible.

Referral System #10: Send a Gift To Work

Description: This is a great method to use, especially if your client has just graduated from a program you offer or achieved a specific goal. Send a big bouquet of balloons to your client's work congratulating them on their success. The balloons don't need to have any logo or writing on them... they just need to have a card congratulating the client on their success.

What will happen is that everyone at the client's place of work will ask who the balloons are from. The client will tell everyone about you and how much you've helped them. The balloons act as a talking point about how happy the client is with their trainer (you).

Referral System #11: Tiered Referral Rewards

Description: Another method that works really well is to reward your clients with bigger and better gifts the more new clients they refer you. Here's an example:

Refer 1 New Client	You receive a full body massage
Refer 3 New Clients	You receive a full treatment at (local spa)
Refer 5 New Clients	You receive a full treatment at (local spa) and 1 month

of personal training

Don't you think this sounds enticing? Wouldn't you refer your friends to a business who gave you such great rewards for doing so?

Just remember the LCV and decide what you can offer. If you can barter for some (or all) of the gift, you can really create an enticing package.

Referral System #12: Reward With Your Own Currency

Description: Offer referral rewards with "Fitness Bucks" or some other less corny name. For each referral the client would receive a certain amount of fitness bucks that they can use on any of your products or services.

This means that any money you give your clients has to be spent in your business – so not only do you get it all back, but you're giving away perceived value instead of cash.

Referral System #13: Viral Newsletter or Special Report

Description: Due to the interconnected nature of people using the Internet, this electronic communications medium allows the fastest spread of referral (viral) marketing. To harness the power of the Internet and viral marketing, you can ask your clients to forward your online newsletter or free special report to their friends, family members and co-workers. This is an easy way to get clients who may be less assertive to still promote you to their sphere of influence in a non-invasive fashion.

Referral System #14: Run a Contest

Description: You could run a contest where everyone who refers you a friend goes into a drawing to win a big prize!

Just let your clients know that they can go into the running to win the prize package and all they need to do, to qualify, is to refer a friend.

And when a client refers a friend, they, along with their friend, are each entered into

the drawing.

Because you are only giving away one or two large prizes, you can add together the anticipated LCV of the new clients to decide how much you can invest on the prize. Maybe it's a weekend getaway, maybe a spa treatment for two, use your imagination. And because each person referring (as well as the referred) gets a chance to win – no one gets discouraged from participating if one client refers 3 people the first day.

Referral System #15: “Bring a Friend” Sessions

Description: If you run bootcamps, this is the most simple referral system you can put in place. Just announce a “Bring A Friend Day” in which all of your clients can bring a guest free of charge to participate in a workout. Announce the event about a week prior to the actual day and continue to promote it leading up to the event. You can combine this with another referral system and offer incentives for any guest that becomes a client or offer the guests a preferred rate. Have a way to capture the contact information of each guest and continue to market to them via a newsletter or promotional material. Have a free report and a special offer for upcoming events available to them at the conclusion of the session.

This works almost as well with standard one-on-one or semi-private training; it just takes a little more preparation for the actual sessions. You can develop a standardized entry-level program for the guests to follow for their workout.

Referral System #16: Seminars

Description: Put together a seminar that would have drawing power for your current clients. If it's around the holidays – you might do something like “Beat The Holiday Bulge: 8 Simple Strategies to Avoid Gaining Fat From Thanksgiving ‘till Christmas.” Promote it as a free event to your client base and get your clients to invite their friends.

How?

Either give them multiple tickets or ...

Let them know that because they are a special client, they're entitled to bring along two friends.

Make the event seem exclusive. Put a limit on the number of friends they can invite. Often, people will bring the maximum number of friends just because there's a limit.

If you like, you can even make bringing a friend a condition of coming to

the seminar. Remember, you make the rules.

The key to this whole strategy is to...

Create enough buzz about the event that your clients would be crazy not to invite someone they cared about!

Put together great presentation. Be incredibly sociable. Make your clients and their guests feel special. (This is great for retention as well.) Also, and most importantly, get your clients to introduce you to their friends.

Don't try to sell your services or products up front. (Certainly, don't hard sell).

When you're not giving your presentation spend a lot of time listening to your clients and their guests. Find out about them. This is a great way to build rapport. And building rapport is incredibly important because...

When people like you, they'll be more likely to business with you.

So your goal is to have a good time, be an incredible host, and be extremely likeable!

One of the most important things to make your special events work really well is you want to get the contact details of all your clients' friends.

How do you get the contact details of all the prospects who come to your event? Well, here's one way...

Have A Prize Drawing!

Everyone who comes to your special event can enter your competition to win a prize. To be eligible, they need to give you their contact details so you can notify the winners!

Send Everyone a "Thank You" Note For Coming

A few days after the event is over, mail all the new prospects a 'thank you for coming' note, preferably with a handwritten note accompanying a report or a special offer.

Notify them of prize draw results and for everyone who didn't win, tell them that you didn't want them to be empty handed so you've decided to give them a free gift from your business!

Make sure the gift has a high-perceived value and that it leads into your main

services or products. In other words, once people get your free gift, they'll see how beneficial it is for them to use your services!

Referral System #17: Write a Book

Description: Ever heard the phrase “he / she wrote the book on it.”? As you know, it’s used to signify when someone is perceived as an expert on a subject. So that’s what you’re going to do – write a book and become perceived as an expert. I don’t mean an e-book – a hard copy book you can give away, sell at seminars, sell at your facility, get local stores to carry, etc. Use a company like <http://www.lulu.com> and get 5-20 copies at a time to minimize out of pocket costs. Write something specific to your niche market that positions you as the preeminent expert in you local area. Now, give this book to influential people, have your clients give it as a gift to friends, promote it at your speaking engagements.

Referral System #18: Free Sessions

Description: I know that there are a few people in this industry that discourage the use of free sessions – they think that it de-values our offerings. I couldn’t disagree more.

If you were going to invest in a new car, wouldn’t you want to test drive it?

I’ve heard that we should act more like doctors to increase our perceived professionalism....ok. The highest paid doctors in the U.S. are the cosmetic surgeons in Beverly Hills...that offer...wait...a free consultation. Hmmmm.....seems to work for them and thousands of chiropractors as well. Good enough for me.

The key here is to give you the opportunity to build value in what you have to offer. Give your current clients cards, vouchers or gift certificate that allow them to give a gift of a free session with you as a gift. You client feels great because they can give a gift to someone close to them, the prospective client is happy because they get to test your services with no risk and you get the chance to build value in what you offer. Combine this with systems like #20 and you’ll have a steady flow of new prospects in no time.

Referral System #20: Referral Cards

Description: What you do is give your clients a referral card that they can give to their friends, family members or co-workers. The card entitles the holder

to receive a free gift from you when they schedule an appointment.

Just remember to give a gift that has a high perceived value but low cost to you. This is important to encourage new prospects to take up the offer and for your current clients to want to tell their friends about it.

Here's an example of a card for you to model:

<p style="text-align: center;">You've been given this card by: <u> (client's name) </u> who wants to give you a ...</p> <p style="text-align: center;">FREE One Hour Personal Training Session (valued at \$75) At <i>The Training Studio</i></p> <p style="text-align: center;">Simply call (123)555-1234 to schedule your session.</p> <p style="text-align: center;">Expires: _____</p>

Place the client's name on these cards so you can track where referrals are coming from... but also to create the impression they are a gift from your client.

Also, leave a space for an expiration date to create urgency and scarcity.

Referral System #20: Just Ask

Description: If you continually over-deliver on your clients' expectations, then often you don't need to give incentives to receive stacks of high quality referrals.

The key is OVER-DELIVERING on a CONSISTENT basis. You don't want "satisfied" clients. You want "Raving Fans." And the key is to keep doing more, being more amazing to them, and continually giving them more than they expect.

When you create "Raving Fans", it's very easy to simply say to them something like:

"We really strive to give you the best service possible and we hope that you feel that we exceed your expectations in every way. If you do feel this way, you're pleased with the incredible progress that you've made and you know someone who would really benefit from those same benefits, would you be kind enough to tell them

about us. You may have a friend, a coworker, or a family member who is looking for someone like us. And by telling them about us and what we offer, and how we've truly delivered for you, that means that we can focus our time and energy on continually giving and doing more for you and our other important clients instead of marketing and advertising. So, if you have anyone close to you who would really benefit from what we offer, please let them know about how we can help them."

When you ask, expect to get what you ask for. Know that you give each client much more value, greater benefits and deliver results more successfully than any other fitness provider, so you're doing your client a service by offering to take care of their friends too.

Another thing to keep in mind is to ask your clients for referrals when they're feeling their best about doing business with you – perhaps at an assessment where they met certain goals. Or it may be right after you've gone the extra mile for them ... and they know and appreciate it.

If you over-deliver and make your clients “Raving Fans” you’ll get a lot of referrals without having to spend any money up front. My suggestion is to reward these referrals and reinforce that behavior rather than take it for granted.

And remember ... if you don't ask, you can't receive.

Referral System #21: Referral Stimulation Letter

Description: This approach follows along the same lines as #20 but you can integrate some sort of incentive as well. Here's an example letter:

“I Need Your Help!”

Dear Friend,

I think you can help me with a problem I have. I don't know if you realize it or not, but marketing for new clients can be pretty expensive. And after I spend all that money on marketing, I'm still not guaranteed to get one single new client. "Word of Mouth" marketing is still the best type of marketing. And frankly, I'd rather reward you for sending me new clients than spend all my money on radio or newspaper. Many happy clients have mentioned that their friends, acquaintances, and family members have expressed an interest in improving

their health and fitness. With this in mind, I came up with my new...

Referral Reward Program!

Here's how it works:

For every referral that you send me who becomes a client, you'll get your choice of the following, absolutely FREE:

- 1. 3 free personal training sessions*
- 2. Dinner for two at Ruth's Chris Steakhouse*
- 3. A Months Supply Of Your Prescribed Dietary Supplement Package*

I know that I don't have to offer rewards for referring friends, but I think it's important to show that I value you as a client and appreciate your referrals.

When you think about people that you might refer, keep these ideas in mind:

- 1. People you work with.*
- 2. Friends listed in your cell phone.*
- 3. Neighbors.*
- 4. People you know from your hobbies and other interest.*
- 5. Family members.*
- 6. People you do business with.*
- 7. People who attend your church*

Hopefully, that will jog your memory a little. If you just spend a few minutes thinking about it, I'm sure you'll come up with quite a few people you know who would like to experience all the benefits that you've experienced from working with me.

I've included a couple Referral Forms to help you jot down the people you think of who might be interested in finding out more about my services. Feel free to make more copies of the Referral Forms if needed, or you can just use a regular sheet of paper.

Thanks for your help!

Sincerely,

Pat Rigsby

P.S. Just so you know, I'll be offering the people you refer to me a free gift of 2 personal training sessions from you. I want them to know that you were

thinking about them and their well being.

Client Referral Form

Please use this form to write down any referrals you have for me. This form makes it easy for us to keep track of your referrals and make sure you get credit toward the Referral Reward Program. Feel free to call me at 000-000-0000 if you have any questions.

Your Name: _____

Address: _____

Phone Number: _____

E-Mail: _____

Referral Information

Name: _____

Address: _____

Phone Number: _____

E-Mail: _____

Best Time To Contact: _____

Check One:

_____ Yes, please contact the above referral. I have already talked to them and they are expecting your call. Feel free to use my name when you call.

_____ No, please do not use my name when you contact the above referral. I have mentioned your service but have not mentioned that you will contact them.

You may have to adapt this letter for your particular market, or your personality.

Referral System #22: Newsletter

Description: A Newsletter is a good back passive referral tool for several reasons:

1. It's inexpensive.
2. Your clients aren't just getting a monthly "sales pitch". They're receiving some real value from the newsletter.
3. You can publicly recognize the referring clients.
4. It's a low-barrier way for your clients to tell their friends about you.

It's great because it doubles as a retention tool or a marketing tool as well. You don't have to write a long newsletter either. Some times just one or two pages will be plenty. You might want to keep an idea file and clip magazine or newspaper articles, or print out stuff from the Internet that you would like to cover in your newsletters.

Your newsletter should offer a lot of value for your clients but the real purpose of your newsletter is to **get more clients and more referrals!!**

Make your newsletter entertaining and fun to read. Don't be boring! Use humor if that fits with your style. Give valuable information.

Here's a few ideas of some regular features you can include in your newsletter:

1. Welcome to New Clients.
2. Referral Reward Recipients. Thank the people who gave referrals and list what rewards were given. This is a great way to remind your current clients about this program.
3. Testimonials.
4. Schedules and Special Events.
5. Client Of The Month. People love to see their name and picture in print. Do a little feature article on a different client every issue.

Yes, you can do an e-mail newsletter – but a “hard copy” is more valuable because people get bombarded with e-mails on a daily basis. By offering a physical newsletter you can set yourself apart from all the other businesses that your client works with.

Referral System #23: Physician Referrals

Description: This is another one I took from Brian Calkins. Whenever Brian's studio takes on a new client he sends a health & fitness report to the client's physician. This professional courtesy is designed to create a line of communication between the doctor and the fitness professional and as a bonus, it positions the fitness professional as a credible resource for the doctor when he / she is making recommendations to their patients. The report can include the following:

- ✓ Weight
- ✓ Bodyfat Percentage
- ✓ LBM / Fat Mass
- ✓ Resting Heart Rate
- ✓ Blood Pressure
- ✓ VO2 Max
- ✓ Muscular Strength Assessment
- ✓ Flexibility Assessment

You can add other assessments or statistics based on what your assessment process consists of.

You can send this report each time you update your assessment. This single approach can set you apart from other fitness pros and fitness providers in the eyes of your community's medical professionals.

Chapter 8 - Joint Ventures

One of the best techniques to get new clients is to find out who has already done your work for you. What that means is that some other business, or some other professional practice, has already spent a lot of time, effort and advertising dollars to get customers, clients or patients that can now be yours for little more than just asking. We're talking about gaining access to new prospects with the express permission and enthusiastic cooperation of the business that acquired those customers in the first place! This process is known as setting up a "joint venture" and is also known as a "Host/Beneficiary relationship."

Company A (the Host) agrees to let Company B (the Beneficiary) deliver a sales message to people who are Company A's customers. If you are the Beneficiary in this unique arrangement, it will bring you new clients and more money quickly. And it will also help you if you are the Host in the process, because your clients will respect you for helping them learn of a new value available to them. The best part is that it's relatively easy to create profitable Joint Venture relationships.

This is all you have to do:

1. Ask yourself, "Who already has a strong relationship with people to whom I might be able to offer my noncompetitive service?"
2. Once you've made a list, visit those non-competing businesses and ask their owners to introduce your service to their client list. When you go to see them, take along plenty of information about what you do, and some powerful testimonials. As an incentive, offer the prospective "Hosts" reverse access to your client list, or offer them some percentage of any sales that you make to their list. Let the prospective Host know that at the very minimum their customers will thank them for introducing you to them and helping them gain information about your services.

Here's an example of this system in action:

An attorney who handles tax cases wrote a letter to his clients and, in the "P.S.", told them they might want to look over a checklist of tax-filing hints given to him by a new tax preparation service. The tax preparer got all kinds of new business as a result of that endorsement. The introduction itself doesn't have to be a formal "endorsement" letter (although that is an effective technique.) The introduction could be a somewhat passive gesture...like that attorney's P.S., or someone simply letting you insert your lead generation flyer, postcard, or letter in their mailing as "ride along" advertising.

Maybe you're still not sure if the Joint Venture technique will work for you. If so, let's run through the steps one more time. First, figure out who already sells to and has strong relationships with people in your target market. (Surely by now you've figured out who your target market is.) Once you identify who those companies are, then start making a list. Use either the Yellow Pages or a business directory and locate every business matching your profile in the geographic area you're targeting.

Now it's time to contact them. You can contact them by letter, in person, by phone, or all three.

When you contact them, you might tell them this:

- A. I own personal training business in our community.
- B. I would like to form a strategic alliance with you.
- C. I realize that you have spent an enormous amount of time, effort, emotion, energy and expense building goodwill with your customers.
- D. Those customers, when they're done doing business with you, may not do any new business for months or years. But there's a way you could regain the time, effort and expense that you invested in that relationship and do your customer or client an incredible service.

That should keep them open-minded to listening to your proposition.

Offer the Host (and the Host's customers) whatever is appropriate in your situation. It might be 30% off the referred client's initial package or some special bonus or incentive exclusively for them. The key is to offer a preferential advantage to the Host's customers. Something they wouldn't get on their own if they walked in off the street. Special treatment is crucial to the success of a joint venture.

Why?

Because it's critically important that the client feel that the Host has gone to bat for them and negotiated a below market price or an above-market benefit or bonus or guarantee that gives them extra value. It's important that anybody you get to endorse you and your business distinguishes their customers as being special,

important and unique. You've got to show the Host that by teaming up with you they have an opportunity to bring a great benefit, advantage, or superior value to their clients that they would have never thought about before.

If the company you approach has an ongoing selling relationship with their client, then you may approach the joint venture arrangement a little differently. Explain to the Host that you're not going to take any money away from him. Show him that there's no conflict at all. There's only a complementing connection between what they do and what you do. It's important that you make your offer economically appealing enough to get the Host excited about the possibilities. Show them that because you expect the marketing costs to be lower and the response rate to be higher, you feel very comfortable offering to share a generous percentage of all new sales resulting from their endorsement of your business. You can offer a few different options. It can be a share of the profit. It can be a fixed amount per new member. It can be so much per prospect or lead or inquiry. It could be a fixed fee for doing the whole joint venture or any combination of those.

You could even offer to give them a very large percentage per sale if they agree to pay for all the printing and postage costs. All you can do is ask! They might agree to this. And you can afford to give them a large percentage. After all, you would have never gotten these clients without their help, and the marketing is costing you nothing! The Host is paying for it.

Once you've told the Host what the financial incentive is to them, put it into terms the Host can get enthusiastic about. For example, if you are planning on sharing 25 percent of the client fees with the Host, you could say: "Let me tell you what I think that means, Mr. Host. The worst case scenario, if my projections are correct, I expect to be giving you a check for \$1,500 two months from now!" That lump-sum figure gets people excited. After all, they're getting money for doing nothing but making their list available to you!

It's important that you let the prospective Host or endorser know that he is going to get most of the benefit from the joint venture. Tell them that if this works well, they can do joint ventures with a lot of other people so they can have multiple streams of "found money" coming to them every month. And if your joint venture with them doesn't work out, it will only be your loss because you're the one who funded the deal and you're the one who expended all the effort!

They can't lose!

That's a powerful offer, isn't it?

If you make use of this powerful secret often enough, it will help you build a profitable business very quickly.

Chapter 9 – Taking Action

There you have it. You now have access to 23 separate referral systems as well as the concept of creating a Joint Venture. Most of you will flip through this (or scroll through it if you don't print it out) but never take real action.

Not good.

Like any other journey that you could embark on to improve your business or your life – the real key is *taking action!*

Here's what you should do TODAY:

1. Look through the referral systems one more time, making notes about how you could implement each into your business. Don't make excuses; don't dwell on why a particular system won't work. Find solutions. This exercise will open you up to creating and fitting the right systems to your unique situation.
2. Get a rough estimate of your client lifetime value so you can decide what to invest in acquiring each new client.
3. After going through this process with every system – choose what you perceive to be the 2-5 best fits for your business.
4. Develop an implementation strategy. If you want to use cards, order them. If you want to do a newsletter, set a deadline to launch the first edition and create the outline. Start putting the wheels in motion today.

Yes, I know, I didn't tell you to spend tons of time working through all the details, setting goals for each systems production or many of the things that you might expect – especially from a “details guy” like me.

That's OK. I just want you to get moving. You can document the

approach you take along the way to create your own system. You can test new incentives and verbiage as you move along as well.

My goal is simple. I want you to have the framework of your own structured referral system in the works TODAY! Make this part of your business now and you'll soon start reaping the rewards. As you refine your system you may eventually find that referrals make up the bulk of your new prospects.

So that's it. It sounds simple because it is. A steady stream of highly-qualified, pre-disposed prospects are just a couple of weeks away so get started today!