THE BEST USE OF REFERRALS

LOYALTYLION

Referred customers have a ▶ 16% larger lifetime value than customers brought in other ways. Plus, their conversion rate is 30% higher.

Shoppers acquired through referrals trust you immediately as your praises have already been sung.

Plus, brand-related conversations are happening all the time. Focussing on referral marketing helps you make the most of these candid chats to increase customer advocacy.

But, referral marketing doesn't happen as often as it should.

> **Like in the real world, people are more likely to engage with a brand if it's recommended by a friend or person they know. The same principle applies for digital commerce.**
>
> **Referrals are an essential tool to build your audience, fuel customer loyalty and create repeat purchases. This can be achieved by a visual campaign on your website, making it easy for your customers to access and share a trackable link.**
>
> **A supporting email marketing campaign and social media would make this initiative even more powerful.**
>
> *Sergiu Tabaran, Ecommerce Specialist at ▶ **Absolute Web***

It's easy for customers to forget to tell their friends about you so you need to give prompts.

Instead, use your ▶ **loyalty program** to reward a customer every time they make a successful referral.

To help you inspire yours, here are the referral marketing masters who are using their loyalty program to get customers gossiping...

BEST USE OF REFERRALS
Manuka Doctor
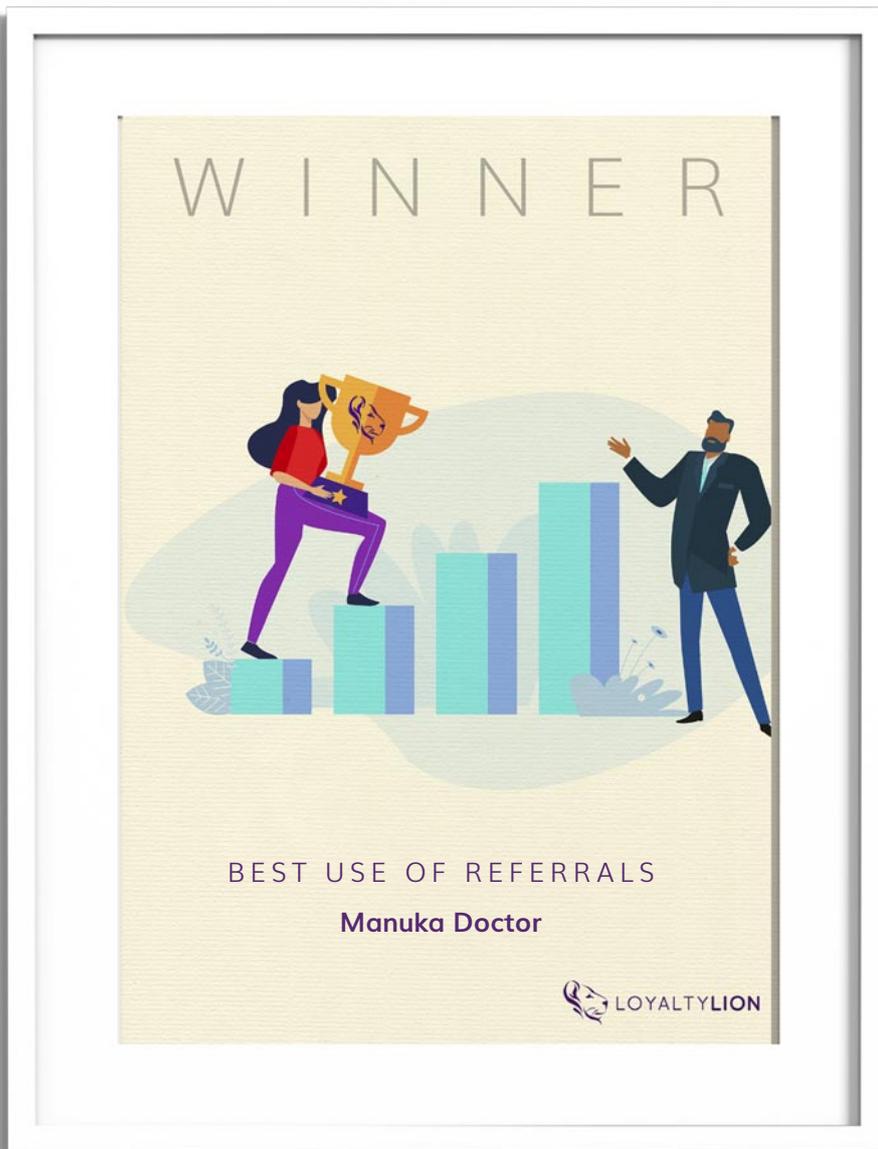
MANUKA DOCTOR

▶ **Manuka Doctor leads the charge with referrals.**

In the brand's navigation menu, there's a clear "Refer-a-friend" button, immediately tempting curious shoppers to click.


When they do, they're shown a landing page that shares the benefits of making a referral and the steps to complete the action. The page also includes a testimonial from a shopper who has made a successful referral:

> **"I love the Manuka Cashmere cream for my older skin and recommended it to all my friends. I have referred my daughter to Manuka products which was very easy to do…"**
> *Gillian Lister, Manuka Doctor customer*

MANUKA DOCTOR
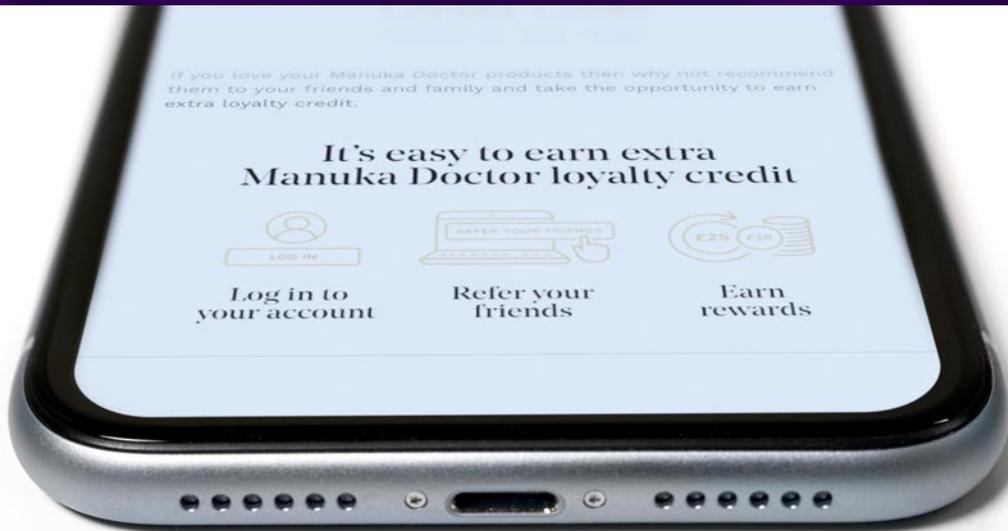
Manuka Doctor's referrals are also beneficial for all parties. The referred shopper gets 15% of their first order if they buy through a referral link. In return, the advocate gets £10 of loyalty credit.

This mutually beneficial approach has brought 15K new visitors to Manuka Doctor's site – 1,000 of whom have converted into new customers.
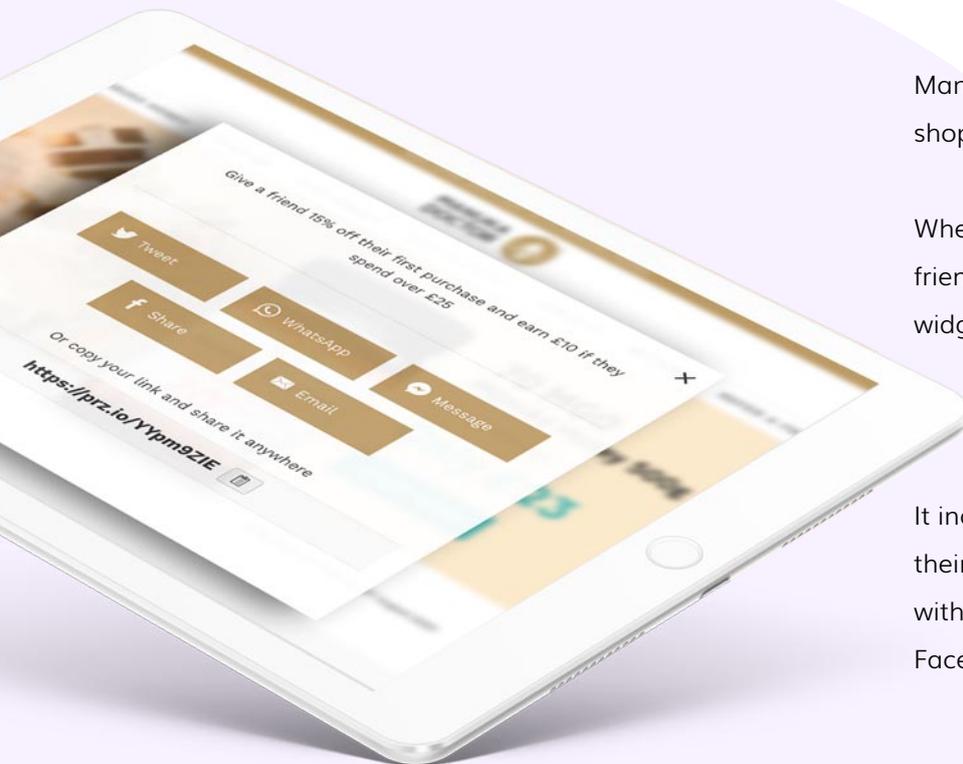
Manuka Doctor also makes it simple for shoppers to refer others.

When the shopper clicks the "Refer your friends and get £10" button, a pop-up widget appears.

It includes buttons for the customer to share their referral URL in all the places they chat with friends (including Twitter, WhatsApp and Facebook Messenger).

Manuka Doctor sees almost 100% of those who are referred convert into customers.
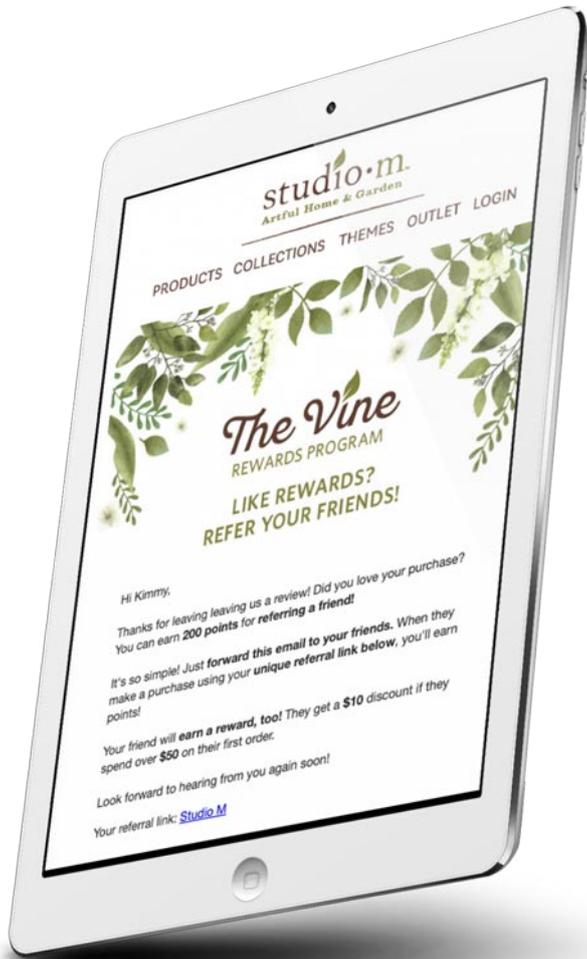
STUDIO M

Homeware brand, ▶ Studio M, places a lot of attention in growing their loyal member base.

They reward program members 200 points (the equivalent of $10) if a friend they refer makes a purchase.

To encourage more shoppers to make referrals, Studio M has also set up ▶ **email triggers**. Every time a shopper leaves a review, they are sent an email showing that they'll earn points for sharing the brand with a friend. All the shopper needs to do is forward the email on.

Studio M are leaning on the customers who clearly love the brand (as they've left positive social proof) and are using loyalty perks to turn them into long-term advocates.

What we can learn from the winners

Your current customers are your best spokespeople. They've shopped, think fondly of you and are loyal brand fans. From the outside, they're also a more authentic form of advertising for new shoppers. Research shows ▶ 92% of customers trust referrals from people they know whereas only ▶ 33% of people believe online advertising.
Take your referral marketing forward leaps and bounds by rewarding your brand fans points and perks for bringing new shoppers to your site.