



OppenheimerFunds

Advisor Exchange

Five Tactics for High Quality Referrals



Even seasoned advisors need to boost their business by drumming up referrals.

Colby Walton, an independent financial services professional in North Carolina, recognizes the need to always ask for referrals in order to keep growing his book. Instead of dedicating time each week to ask for referrals, Walton simply works it into each client meeting by saying something along the lines of: "It seems you are comfortable with me and like the way I do business...Know anybody else who may also benefit from my expertise?"

Walton's low pressure technique has paid off: His largest clients have multi-million dollar retirement accounts with him that stemmed from simple referrals.

How can YOU generate high quality referrals?

Develop referral relationships with industry professionals such as CPAs and attorneys. Walton has developed relationships with many professionals in his community, and they act as a constant stream of referrals for each others businesses. These referrals never result in the exchange of fees or money—that way, Walton's clients know he has their best interest in mind.

Let your client help make the introduction. Ask your client what you should say to their referral to get them interested in your call. Your client can then help you customize an approach for each referral, enhancing your chances of getting a new client!

Contact new referrals immediately. Most likely, your client will leave your office and let their friend or family member know that you'll be getting in touch. Do so within 48 hours. That shows you are genuinely interested in doing business with them.

Make sure to ask for referrals during down cycles. If a prospect shifts investments during a market correction, it could mean more upside when the markets pick up steam.

Keep your client in the loop. Make sure to send your client a thank you note—even a small gift—for the referral and also let them know if they helped you gain a new client. They'll be more open to giving you another referral if you stay in contact.

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