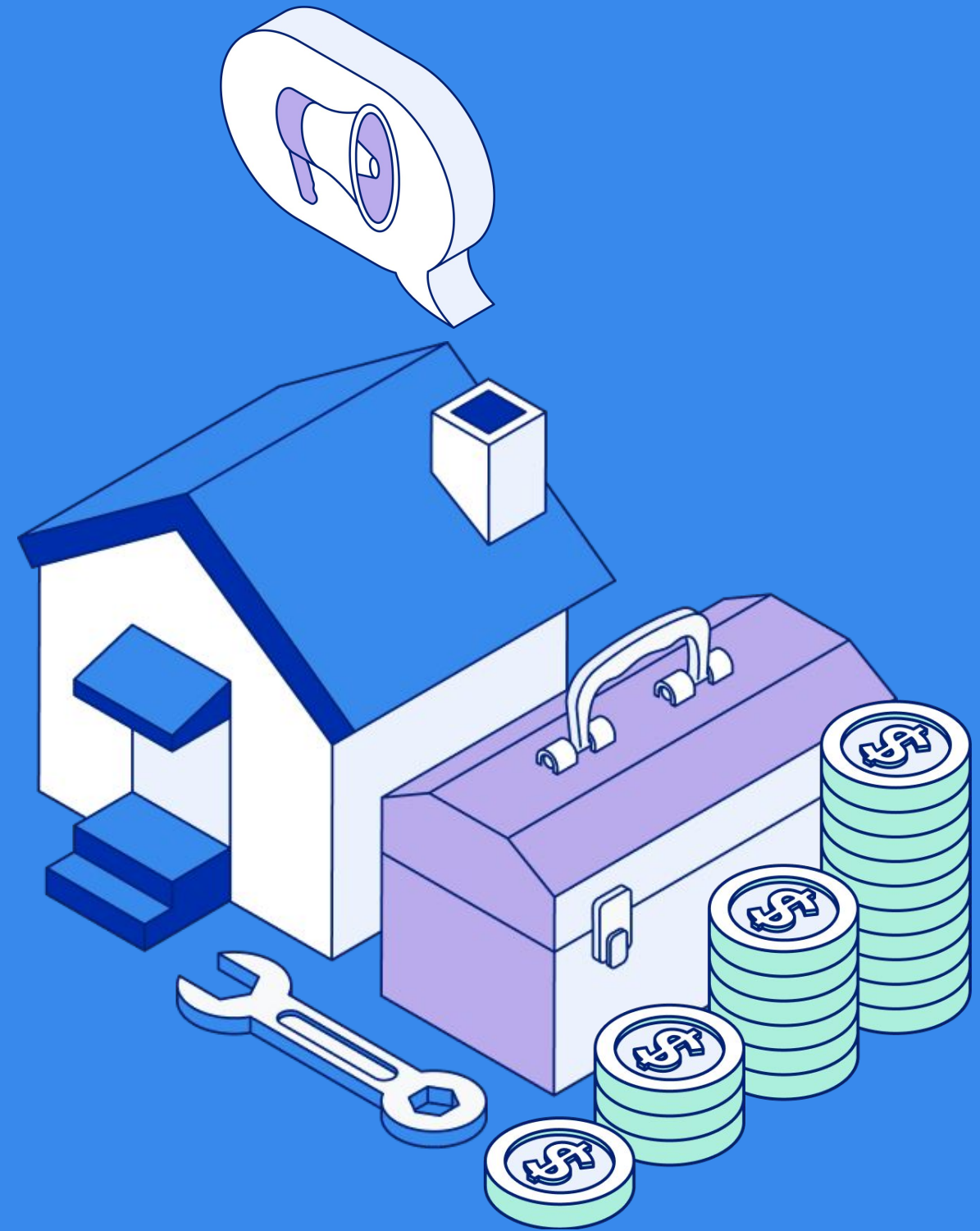


Tip sheet

Grow your home services business: 5 tips for a successful referral system





Every home services business needs a steady stream of leads – but in our current inflationary environment the price of getting those leads keeps climbing. Today, you can expect to pay an average of \$53.18 per lead through online search ads and as high as \$85.47 for leads through display ads. Even then, those leads may not convert into the customers you need.

On the other hand, a successful referral system costs almost nothing to run, brings in higher-quality leads, and converts those leads at a better rate.

*Referrals have a **16% higher lifetime value** and are **18% more likely to stay** with a business for the long term.*

Here are five tips that will help you create an effective referral system and make it simpler to generate a steady stream of leads.

1

Prioritize customer satisfaction

Customer satisfaction is the cornerstone to generating referrals. Satisfied customers are much more likely to become loyal customers and brand advocates. According to one study, 93% of customers are likely to make repeat purchases when companies provide excellent service. Those brand advocates are the ones who recommend your business to others. Focus on providing high-quality service and prioritizing customer satisfaction to increase the likelihood of referrals.

2

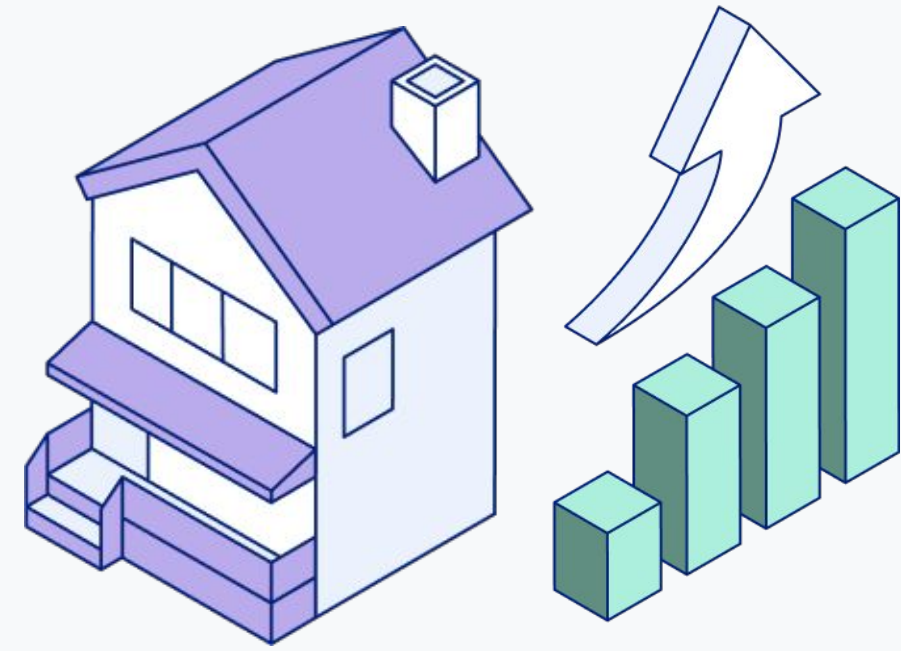
Create a standardized process for generating referrals

To generate high-quality leads through referrals, it's important to have a system in place. Consider implementing an automatic process for generating reviews, such as having a text or email go out to customers as soon as you finish a job, asking them to leave a review on sites like Google My Business or Angi, which are popular online sources of information for home services businesses.

3

Make the referral process easy

A study by Texas Tech found that while “83% of satisfied customers are willing to refer products or services,” only 29% of customers actually do. This creates a huge opportunity for your business. The easier the referral process, the more likely customers are to participate. Consider offering pre-written referral messages, links to share on social media, and anything else you can do to streamline the process.



4

Offer rewards and incentives to your customers

Rewards and incentives to your customers are a great way to encourage referrals. Consider offering cash incentives or discounts on services, such as \$50 off your next home repair, to make it a win-win-win for all parties involved. Make sure the rewards are attractive enough to motivate customers to refer others.

5

Measure and analyze results

To optimize your referral system over time, it's important to measure and analyze the results. Use real-time analytics to track the success of your program and identify areas for improvement. This will allow you to make data-driven decisions and continuously improve your referral system.

Maximize your lead potential

Discover how CallRail can help you create an effective referral system so you can grow more high-quality leads at little additional cost.

Sign up today for a free 14-day trial

