

# Think of Clients as Referral Partners

Mutually beneficial partnerships can expand your network

By **Dale Vermillion**, founder and CEO, Vermillion Consulting Inc.

**M**ORE THAN ANYTHING ELSE, mortgage professionals ask me where they can get more leads. The answer is referral selling, the least-used marketing method in our business.

When you think of referral partners, you most likely think of sources such as Realtors, banks or attorneys. Many of us try to build relationships with cold calls, which can take months to yield any results. We often overlook clients, though they are an untapped goldmine for referral partners.

How does it work? Consider a client of mine who responded to my request to be a partner by sending an endorsement letter to his clients on my behalf — all 1,100 of them. Within 30 days, I received 65 new applications and closed 37 loans.

My client not only sent me hundreds of referrals over the life of our partnership, but he also was the catalyst that got me into a new arena of lead opportunities. With his endorsement, I had instant credibility in these clients' eyes. Additionally, his colleagues also had contacts that they shared with me. The applications poured through the door. And

the best part was that my marketing costs were almost nonexistent.

To set up this kind of partnership, it helps to know where to start. Consider four primary criteria before you ask for referrals.

**1. Relationship:** Your customer has to like and trust you. If not, this person simply won't refer you. So what is the best way to find out if your relationship with your client is great? Ask for a written testimonial. If customers will put it in writing, they likely mean it.

**2. Product satisfaction:** You want referral partners who are excited about the exceptional loans they receive from you. If loans did not benefit them, they likely will not refer you to others. Even if they did, they often will not have an overwhelming endorsement.

**3. Service satisfaction:** In addition to satisfaction with the loans they received, your referral partners should be pleased with the services you offered. Even if they did not get everything they wanted, if they are pleased with the way you responded, they could send you referrals in abundance.

**4. Willingness:** Finally, you want partners who are willing and excited to tell others about their experiences.

Next, gauge the potential of the referral partnership by looking at the client's circle of influence. For some clients, this circle includes friends, family and a few co-workers. Others, such as self-employed borrowers, could have an even-larger group of clients, including managers, executives, or people who are involved in community or political organizations. They also can introduce you to hundreds of potential customers.

Once you've selected potential partners, determine how you can help them — not how you can help yourself. Understand how your products and services benefit them. Show them how you can help them be more successful, profitable and credible. In turn, this makes them

look better to their contacts, and they will be motivated to send referrals to you.

Remember: You are trying to create partners, so partner with them in making them more successful through what you can provide to their clients, friends and relatives. You can build an empire of referrals that could ensure your success for many years to come. **■**

***Ed. note:** This article is the ninth in the author's series of pieces whose topics correspond to each letter in the word "excellence." To view past articles in the series, visit [scotsmanguide.com/2944](http://scotsmanguide.com/2944).*



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