

References

If your outbound sales effort is scaling successfully it is likely that a lot of references are going to be needed. Of course, everything should be done to ensure that a reference is only used in cases where there is a high likelihood that the prospect is going to buy. However, as a practical matter, it is likely that references will be necessary before a buying commitment is made which dramatically increases the volume necessary.

Early Scaling

For a company in the early stages of scaling, where the solution might not have been implemented widely, references can become a gating factor. Consider the following example:

Company A performs 400 discovery appointments in June. 50% move on to the second stage of the sales process (200) and eventually 50% of these receive a proposal (100). Assuming a close rate of 10%, it is likely that at least 40 customers will need a reference.

One way to handle this is to generate a video reference that can be used over and over again. While this might work, in most cases, the prospect actually wants to talk with a customer so their exact questions can be answered. Another way to handle this is to have a reference webinar where a customer presents an overview of its experience with the solution and then opens the meeting up for written questions. This works better but is often not the one-on-one experience that the prospect desires.

A great way to handle the need for references as the company scales is to develop super-references. These clients that have agreed to pick up the phone over and over again and say great things about the product. Due to the amount of time that they will likely spend doing this it is often necessary to “compensate” them in some manner. To get around the restriction of giving cash or the equivalent gifts, consider having an all expense paid (including flights) monthly educational seminars in warm weather locales where there is a short seminar and then the client and their significant other can use the resort. This is a great way to incentivize clients to become a super reference.