Seven Steps to a Successful Customer Reference Program

Abstract
Learn the key ingredients for creating a customer reference program.

About the Author
Prior to joining salesforce.com as our CRM Success Expert, Wendy Close served as CRM research director in Gartner, Inc.’s research organization for more than a decade. Wendy has spoken at numerous CRM conferences, developed hundreds of research reports on various aspects of CRM, has been quoted on the topic of CRM more than 1,000 times in various journals and publications, and has provided CRM advice to many of the biggest and most successful companies in the world.

Looking for Complimentary CRM Research?
For more CRM research including best practices, benchmarks, tips, advice, tactical guidelines, strategic planning, and more, visit: www.crmsuccess.blogs.com

salesforce.com
The Landmark @ One Market
Suite 300
San Francisco, CA 94105
United States of America
1-800-NO-SOFTWARE
www.salesforce.com

Copyright ©2006, salesforce.com, inc. All rights reserved. Salesforce.com, the "no software" logo, and Team Edition are registered trademarks, and AppExchange, "Success On Demand," and "The Business Web" are trademarks of salesforce.com, inc. All other trademarks mentioned in this document are the properties of their respective owners.

Seven Steps to a Successful Customer Reference Program

Ask a room full of sales and marketing executives “what’s the ultimate sign of customer loyalty?” and the most common answers are typically “repeat business” and “referrals.” Repeat business is easy enough to track, but how can you best leverage your customers’ willingness to say good things about your product and your company?

For most organizations, this goal presents a significant challenge—in knowing which customers use which products or product features, matching those customers with potential customers, and providing easy access to this information to those who need to know, all without asking too much of any particular customer.

To create a successful program, follow these steps:

1. Target likely customers and track information about them in a dashboard. Include customer reference nominations, customer reference qualification calls to be made, and customers that are not yet ready for reference activity. Make this dashboard visible to all stakeholders, so that they can add their knowledge to the customer profile.

2. Identify specific contacts within the customer organization. Talk to them to fully understand their experience with your product and to build one-on-one rapport.

3. Capture information about the customer in Salesforce at the account level. You can use custom fields to make sure you can capture product details or other information most important to you. For example, sales will be most interested obtaining product information that will interest prospects, while marketing will want information for PR purposes or for getting customer stories and quotes.

4. Track all contacts with the customer in the system. Attach any emails, notes, and so on—it’s important to maintain complete visibility of who has agreed to what.

5. Set up mechanisms for matching reference customers to prospects. In addition to technical product features used, consider demographic characteristics—such as industry, location, company size, integrations, and so on.

6. Create self-service reports to allow stakeholders to easily identify likely candidates. One caveat: make sure that you don’t ask too much of any customer. Some organizations find it helpful to have a “gatekeeper,” a single point of contact to process reference requests.

7. Be sure to properly acknowledge and reward your reference customers for participating in your program.

Building a strong customer reference program can be one of your most important weapons when it comes to winning new business. It pays to develop the tools and processes to make that happen.