



Referral SaaSquatch

CUSTOMER REFERRAL MARKETING FOR ECOMMERCE

Learn how to save millions in advertising and drive new customer revenue
with unmatched brand loyalty

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REFERRAL MARKETING: THE SCIENCE OF GETTING CUSTOMERS TALKING

INTRODUCTION

Referral marketing is the only marketing channel that helps you capitalize on word-of-mouth recommendations and grow organically. It's one of the most influential forms of marketing that connects people who love your brand with people who are more likely to convert.

Unlike traditional marketing which focuses on improving the brand metrics, referral marketing delivers measurable organic growth. It connects your brand with the right set of customers, thereby improving conversions, customer loyalty and driving revenue.

Referral marketing has been consistently rated as one of the best marketing strategies to grow your business organically. Startups like Uber, AirBnB and Dropbox have leveraged the power of referrals to create billion dollar businesses.

Despite the growing evidence, upcoming businesses make the mistake of seeing referral marketing as a simple one-step transaction between the referrer and the referee, usually with a dangling reward attached to it.

They feel that just like discounts can drive sales, rewards can drive referrals.

What they fail to realize is that referral marketing is not a transaction, but an *experience*. It's not just a theory, but an exact science of turning your customer's social capital into your business' economic capital.

Fortunately, referral marketing isn't super complex. In fact, once you get the basics right, the whole system essentially works like clockwork, generating sustainable growth and revenue for your brand.

In this book, we're going to explore the dynamics of online referral marketing and how you can create a referral ecosystem that generates qualified leads and revenue for your Ecommerce brand.

From creating the right appeal to offering a tempting reward, from improving the sharing rate to using data analytics, we explore the science of creating a great referral campaign.

WHAT IS REFERRAL MARKETING

Referral marketing is the process of acquiring new customers through existing customers using positive word-of-mouth marketing. Traditionally, every business has grown through referrals, with personal recommendations from loved ones playing an influential role in buying decisions of potential customers.

While most referrals happen spontaneously, businesses can create strategies to encourage users to recommend their product and services to other customers, both online and offline.

Offline referral marketing, also known as word-of-mouth marketing, happens when customers share delightful product experiences with their loved ones. The motivation behind spreading the word is to help them make the right choice, based on their previous experiences with the brand.

Online referral marketing, also known as the Software-as-a-Service (SaaS) approach, is the internet-based version of referral marketing that uses the power of technology to share referrals, track user behavior and optimize results.

Considering the fact that a lot of brand conversations now happen online, there's a huge potential to be unlocked by effectively using the power of online referral marketing to promote your brand's products and services.

In this book, we are going to limit our focus to online referral marketing or the SaaS approach, since that's the predominant strategy for Ecommerce businesses to gain traction, improve sales and build brand loyalty.

WHAT MAKES REFERRAL MARKETING SO EFFECTIVE

"A brand is no longer what we tell the consumer it is – it is what consumers tell each other it is." - [Scott Cook](#)

Referral marketing is one of the most influential forms of marketing that capitalizes on people's innate desire to share their product experiences with their closed ones. But what makes referral marketing so effective? Why do people trust people's personal experiences more than advice from subject matter experts or endorsements from celebrities?

There are three primary factors that make referral marketing so impactful:

1) TRUST FACTOR

"If people like you, they'll listen to you. But if they trust you, they'll do business with you." -- [Zig Ziglar](#)

Unlike paid advertisements and brand endorsements, referrals come from a credible source that they know and trust. A salesman might have ulterior motives for endorsing a brand, but if a friend recommends a product or service, it's a goodwill gesture.

For instance, you're more likely to try Dropbox if a friend puts in a good word about it, but merely seeing an ad or receiving a marketing email might not convince you to absolutely try it. The difference between the two marketing campaigns lies in *creating the appropriate context*.

While advertising works on projecting the objective reality of a product experience, referral marketing uses the power of customer perception to trigger organic growth. Since users are more likely to trust personal, first-hand experiences of existing users than fabricated marketing content, referrals tend to fetch higher conversions.

Referrals also eliminate the risk factor involved in making a purchase, as users can directly talk to their friends or family about their experiences and get instant feedback. Given the fact that 84% people trust recommendations from friends or family over other marketing channels [Source: [Nielsen](#)], referrals improve activations and get people past the initial friction of trying your product.

2) PRECISION TARGETING

“Everyone is not your customer.” - [Seth Godin](#)

The next best thing about referral marketing is the quality of leads that it produces. As referrals are personalized, credible and highly contextual, they tend to attract the right kind of customers.

For instance, if Susan had to recommend Amazon to her friends, she won't pick those who don't buy online or have limited technical knowledge. She'll pick friends who love online shopping just like her, so that she has better chance of claiming the referral credits.

That's the beauty of the referral ecosystem. It enables people who love your product to bring in people who might also love your product, thereby maximizing conversions and improving top-line growth.

With the power of precision targeting, brands can not only acquire qualified leads, but also reduce their advertising costs or other marketing expenses, making it a win-win strategy.

3) THE FLYWHEEL EFFECT

The flywheel effect is at the heart of the positive feedback loop presented in Jim Collin's exemplary management book -- “[Good to Great: Why Some Companies Make the Leap and Others Don't](#)”.

The premise of the effect is extremely simple. A flywheel is an extremely heavy wheel that takes a huge amount of effort to push. But as you keep pushing hard, the flywheel slowly builds momentum and starts accelerating. After a few turns, you aren't pushing any harder, but the wheel starts to help turn itself-- eventually generating momentum on its own.

If you think that in terms of referral marketing, flywheel effect is the continuation of referral sharing in an ecosystem even after an external stimulus has been removed. In this case, the external stimulus is the first successful referral.

Let me explain that with a bit of context.

Let's say Alex refers his friend Sam to try a fashion apparel store. Sam uses his referral code to get started, purchases a few items, and loves the experience. He, now, tells his friends about the shopping experience, which leads to more successful referrals, more brand advocates, and more potential customers.

You get the idea? It's a never ending viral loop.

We call it the flywheel effect, because the referral cycle simply does not stop when someone accepts a referral. It goes on and on, giving your brand the kind of organic growth that no marketing strategy could possibly give.

Apart from the virality coefficient, another factor that contributes towards the flywheel effect is the concept of social proof. When a lot of users start sharing referrals and accepting invites from their friends, the collective wisdom of the crowd starts influencing the bystanders. And they start using your product, too.

It's due to the multiplicative power of flywheel effect that startups like Uber, Dropbox and AirBnB managed to grow exponentially in just a span of few years.

REFERRAL MARKETING IN ECOMMERCE: CRUNCHING THE NUMBERS

"Statistics is the grammar of science." - [Karl Pearson](#)

If referral marketing is an exact science, numbers are its grammar.

So far, we have looked at how referral marketing can deliver profitable outcomes for your Ecommerce brand, but what good is a scientific theory that's not backed by solid numbers?

That's the reason we compiled some pretty interesting referral marketing statistics. These numbers provide a convincing proof that referral marketing can not just drive growth, but also deliver profitable outcomes for Ecommerce businesses around the world.

- As per WOMMA, [referrals account for more than \\$6 trillion of annual consumer spending](#).
- In America, approximately [2.4 billion brand related conversations happen every day about 3.3 billion brands](#).
- [92% people trust recommendations from their friends, family or peers](#) over all other forms of advertising.
- Referral marketing is the [4th most effective strategy for customer retention](#). It trumps SEO (Search Engine Optimization), advertising, affiliate marketing and paid search.
- The [Customer Lifetime Value \(CLV\) of a referred customer is 16% higher](#) than non-referred customers.
- Referral marketing also generates [3x-5x higher conversion rates than any other marketing channel](#).

From these numbers, it's quite apparent that referral marketing is a solid strategy for customer acquisition. E-Commerce businesses that have not yet capitalized on referrals are possibly leaving a lot of money left on the table. It's time to change that.

BEFORE KICKING OFF: TAKING THE READINESS TEST

As more and more brands work to improve their lead acquisition process using organic marketing, there's much to gain by investing in a killer online referral marketing strategy. But before you kick off your referral campaign, it's important to hold back and check if you're ready for implementing a referral marketing strategy.

For instance, are you consistently delivering great customer experiences? Have you found that magical hook? How likely are your customers to share referrals with their friends? Is your shopping experience really shareworthy?

Taking the readiness test is all about asking these hard questions at the start. It's about putting the "why" before the "how". It's about eliminating all the underlying bottlenecks, so that you can create a great referral experience.

It might be tempting to skip the test and move right ahead to the actionable stuff, but we recommend taking the readiness test for your Ecommerce brand, even if it seems trivial and avoidable. It takes the risk out of investing in a referral marketing campaign and drastically improves the probability of achieving favorable outcomes.

MEASURING TRACTION

While not having a referral campaign is a missed opportunity, you certainly don't want to launch a referral campaign too early. Ideally, you should think about launching a referral campaign only after you start seeing some initial traction.

That's because initial traction is the ultimate proof that you have a viable market to be captured. There's no point of creating a referral marketing campaign without appropriate market validation, as referrals help you in scaling the company; they don't help you in improving the product experience.

Given the fact that the initial set of users are driven purely by the product experience, it's probably a wise strategy to not spread yourself too thin from the very start.

Tip: Go lean, focus on getting the early adopters, and once you have a product-market fit, kickoff your referral marketing campaign.

FRictionless Onboarding

In case you already have enough traction, the next step is to ensure that you have a smooth onboarding process. After all, the whole point of creating a referral strategy is to acquire new users and convert them into loyal customers.

But that cannot happen if you have a difficult or complicated referral onboarding process that has too many steps. Imagine getting referred from a friend to try an online apparel store, only to realize that the online store makes you jump through multiple hoops, before they finally sign you up.

You would not only feel demotivated to signup, your friend would also stop referring the brand to other people because of poor conversions and feedback.

So, before you kickoff your referral marketing campaign, simplify your onboarding experience. Remember the user excitement is at peak when they first land up on your website. Don't drain it by making them fill up a lengthy form. Instead, ask for minimum details and use social login for quick and easy sign ups.

Tip: Make it easy for newly referred users to discover and onboard your shopping experience.

FINDING THE HOOK

Once you have simplified the onboarding process, the next step is to find the hook for your shopping experience. It's the most crucial step of the readiness test, as it helps you identify what your customer really wants, and whether you're delivering a 'share-worthy' experience.

Finding the hook is all about knowing which experiences, products or services matter the most to the user. For instance, Amazon found that customers loved free, expedited shipping, and that's [why they launched the Amazon Prime customer loyalty program](#). Zappos focused on [delivering exceptional customer service to gain customer's admiration and loyalty](#).

What's your hook? Do you know which experiences matter the most to your customers? If yes, are you working on delivering those WOW moments?

Before you kick off your referral marketing campaign, it's important to know your hook, as referrals are triggered when customers feel delighted with a shopping experience and want to share it with friends. Creating a referral campaign without a hook is like shooting a bow without an arrow. A pointless exercise.

Tip: Get close to your customers and know which experiences matter the most to them. Once you know what they want, go one step above their expectations and delight them. Either way, find out what it takes to get them talking.

NET PROMOTER SCORE - ASKING THE ULTIMATE QUESTION

After you've found the hook and started creating those WOW moments for your customers, the final step of the readiness test is to simply close the feedback loop by measuring how they feel about the brand.

[Net Promoter Score](#), popularly labelled as the ultimate question, helps you measure brand referability and customer happiness by asking a simple question: On a scale of 1-10, how likely are you to recommend our store to your friends/colleagues?

You can calculate the NPS score of your brand by splitting the responses into three categories: Promoters [9-10], Passives [7-8] and Detractors [0-6], and then applying the below formula:

$$\text{NPS Score} = (\% \text{ of Promoters}) - (\% \text{ of Detractors})$$

If you have more promoters than detractors, it's a sign that you're delivering great customer experiences, and that a referral marketing strategy would deliver profitable outcomes for your brand. However, if you have more passives or detractors than promoters, you need to get close to your customers, and start delighting them, before taking the leap.

Tip: Before you ask people to refer, ask them if they *would* refer. It's fail-fast, fail-safe strategy.

SETTING UP THE REFERRAL EXPERIENCE: DOING THINGS RIGHT

CREATING YOUR CALL-TO-ACTION

"The main thing is to keep the main the main thing." - [Stephen. R. Covey](#)

Referral marketing starts with creating awareness.

You might have the most rewarding referral program in the world, but if you aren't making users aware of the opportunity, you're limiting the scope of your referral marketing campaign.

Many Ecommerce businesses succeed in creating a great shopping experience and even have a decent NPS (net promoter score), but not all of them capitalize on the customer's delight and convert those into referrals. That's because their referral call-to-actions (CTAs) are not properly positioned or often hidden one or two layers beneath the menu.

Since the referral marketing funnel starts with the percentage of users noticing your referral CTA, it's important to get it absolutely right. Here are some tips on how to create a compelling referral CTA:

- **Language:** You should always look to keep the tone direct and actionable. Avoid ambiguity at all costs.
- **Motivation:** Your CTA should clearly answer the question in the user's mind-- "What's in it for me?"
- **Actionable:** We recommend using words like "Refer", "Earn", "Free", "Get", "Share" and "Invite" to capture user interest and get them to act.
- **Visibility:** Your CTA button should be strategically positioned, so that it's almost impossible to miss. It would also help to fix its location on the app experience or the website, so that users know where to find it.
- **Colour:** We highly recommend referring to [Parott's emotions grouping model](#) to understand how colours can be used to trigger emotions. However, the most important consideration is to make it look consistent with your branding.

Generally, you would find your referral CTA too short to deliver an entire message. For example, if you intend on giving \$10 shop credits to both referrer and referee on successful referral conversion, you would find yourself sticking to "Refer and Earn". You can share the rest of the message as a header line on top of the CTA.

Tip: Make your CTA irresistible and impossible to miss.

DELIVERING A CONSISTENT REFERRAL EXPERIENCE

"A brand is a story that's always being told." - [Scott Bedbury](#)

After creating a referral CTA, the next step is to create a consistent referral experience, as your customers would be accessing your referral campaign through multiple platforms (website, mobile or smartphone apps) & channels (emails, social media, landing pages, etc.).

You don't want to create a referral experience that works only flawlessly on your website, but is not extensible with your app. It not only limits user participation, but also spoils the brand perception.

You can start by keeping the CTA consistent across your referral marketing campaign. If your website reads "Share Referral" and smartphone app reads "Invite Friends", you're doing it wrong. Similarly, the colour combination, background and other design elements should stay consistent with the overall look-and-feel of the campaign.

It's an obvious step, but many Ecommerce businesses compromise on it due to technical limitations. Don't fall into that trap. Making your referral experience consistent across channels and platforms is the first step towards building trust and engaging with customers.

BUILDING THE INTERACTION MODEL

"People buy from people they know, like or trust." - [Joel Comm](#)

It's a well-established consumer psychology-- people buy from people they trust. And that's because it reduces the risk of making a wrong purchase, and reduces the active involvement of the consumer in the decision making process.

For instance, if a friend refers you to an online pet store, you're going to pay attention to the referral and give it a try. However, had that pet store tried sending you an invite directly through email or messaging, there are chances that you wouldn't have taken that sweet-deal.

When it comes to referral marketing, picking the right channels is all about connecting the referrer and referee in an one-to-one interaction, while completely eliminating the brand presence.

In fact, that's the reason companies like Uber, AirBnB or Dropbox, who have had massive success referral marketing, never use dedicated marketing channels to send referrals. Instead, they encourage users to share referrals through their own personal communication channels, like, Email, WhatsApp, Facebook or Twitter.

What do brands achieve by personalizing messages? Well, an awful lot. Here's what happens when referrals are personalized:

Reliability: Since the referral is being sent through the referrer's personal communication channels, it does not come as a "click-bait" tactic. Referred users are more likely to open a link from their personal contact than read an email from a relatively unknown brand.

Loyalty: According to behavioral psychology, [it's hard for a person to have an inconsistent set of beliefs](#). For instance, if someone refers you to try a store, it's hard for him to go against it, as every individual seeks consistency among their cognitions. Therefore, personalizing referrals massively improves brand loyalty, as referrers are more likely to stick to the brand they pitched to their friends.

Virality: As more and more users share referrals through social media, the referral marketing campaign starts getting more visibility to a larger audience, thereby leading to organic growth.

Tip: Encourage referral sharing through personal communication channels.

CREATING AN EMOTIONAL CONNECTION

“Products are consumed. Services are experienced.”- [Levitt](#)

People don't remember exchanges; they remember experiences. They forget what you offered, but they'll always remember *how* you offered it.

Most marketers assume that they can get users to act *just* by offering them a strong reward. While a reward certainly *sweetens* the deal, it's important to realize that advocates don't always have financial motivations behind sharing referrals.

As per Ernest Dichter, who published a [study](#) on what motivates a person to talk about brands, four primary factors contributed towards brand advocacy: product involvement (delightful user experiences), self-involvement (early adopters), message involvement (attachment to brand values) or other kind of involvement (helping people).

It's important to note that 0% users were motivated to share a product, because it offered them any monetary benefits. However, 100% users were motivated to share an experience because they felt emotionally attached with the brand.

Think about the last time you referred a brand to your friend. Was it because of the monetary reward, or was it because you loved the experience and felt like sharing it? Think about how your advocates would project your brand when they put in a referral to their friend.

You want them to sound, like, *“Hey! Checkout this store. It has an awesome collection of shoes. The best part is you can return them anytime.”*, and not like, *“Hey! Would you please help me get a 30% discount by signing up with my referral link?”*

Building an emotional connection is all about delivering WOW experiences to the customer. Since you already know the hook for your brand, you need to capitalize on it and keep delivering the best customer experiences to your brand advocates.

Tip: Give users something to talk about when they make that referral.

IMPLEMENTING A REFERRAL PROGRAM

Once you have finished designing your referral marketing campaign, the final step is to actually implement the referral program. While designing was all about understanding consumer psychology and optimizing design elements, implementation is about using technology to create a consistent referral experience.

It's about getting to the "how", now that we are done with "why" and "what".

For example, how do we create a consistent referral experience across multiple platforms? How do we connect our referral campaign with social channels? How do we manage, track and verify referrals in the backend? How do we scale our referral program, with zero compromises on customer experiences?

If you keep asking "how" to every design decision you have made so far, you would realize that the scope of implementing a referral marketing campaign is pretty huge. From consistent referral experiences to personalized communication channels, you would need to develop a *hell* lot of functionalities to ensure smooth flow of referrals in the marketing funnel.

Considering the sheer complexity involved, for most Ecommerce businesses, getting a dedicated customer referral program software makes absolute sense. It allows them to focus on improving their product experience, instead of investing time, money and efforts in building a non-core functionality.

However, if you think the long-term benefits of an in-house referral marketing software would outweigh the interim development costs, you can certainly take the leap by creating your own custom implementation. We highly recommend the approach for stores that have high volume sales and are backed up a dedicated development team to take on the challenge.

Tip: Getting a dedicated referral marketing software improves outcomes, while minimizing risk.

REFERRAL ECONOMICS: HOW TO DECIDE A REWARD STRUCTURE

Businesses spend a considerable amount of time trying to come up with a perfect reward structure for their referral marketing campaign.

How much reward would make users feel good about making the referral? Should I give discount coupons or cash? Should I give rewards to both referrer and referee, or should I keep it one-sided? Should I compromise my profitability for growth?

Since there's a financial risk involved to not getting it right, businesses often get overwhelmed by the possibilities, and find themselves stuck in the 'analysis paralysis' phase.

In this chapter, we present a simple three step framework to break the reward conundrum and optimize the process of finding the right reward structure for your referral campaign.

EQUITABILITY

The purpose of creating a referral marketing strategy is to capture qualified leads and grow revenue. If you set a reward that's tempting for the user, but does not accomplish your business goals, it's an exercise in futility. Here's how to set an equitable reward:

SETTING A PROFITABLE GOAL

The first step of creating an equitable reward structure is to set a profitable goal for your referral marketing campaign. Ideally, the goal should be a step further down the conversion funnel, like a first purchase or an order of minimum value.

The purpose of setting a goal further down the conversion funnel is to:

- a) Filter out customers who want to *game* the referral system
- b) Capture qualified leads
- c) Achieve sustainable growth

For example, if your referral campaign provides a reward on every successful activation (user creates an account) instead of a successful conversion (user makes a purchase), it could lead to creation of thousands of fake user accounts and cause rapid devaluation of shop currency (supply>demand).

Of course, setting an equitable goal creates some level of friction, and can reduce the number of referrals that users make, but it ensures that your referral campaign captures qualified leads that have a higher probability of turning into loyal customers.

That being said, you should not set an over-ambitious goal, like a minimum purchase of \$100, to claim the referral reward. The trick lies in finding that sweet spot between equity and motivation.

Tip: Set a goal that captures qualified leads, not freeloaders.

DECIDING THE REWARD SIZE

Once you have set a goal for your referral marketing campaign, the next step is to decide the reward size. It's perhaps the trickiest part of creating a referral marketing campaign, since having a high reward size can cause people to act out of selfishness, while having a low reward size can practically kill user motivation.

That's why you need to pick that median range.

Here's a ground rule that you can apply:

Calculate the average LTV of your customers. Keep the total reward size (in case it's dual sided) less than what you stand to make from the customer. So, for example, if you have an average LTV of \$10, you should not be offering more than \$5 referral reward.

Lifetime value (Average customer purchases) > Customer Acquisition Cost (Referral size)

We also recommend keeping the reward size significant, but not too high, as you want people to own their actions. You also don't want your users to appear selfish when sending referrals. For example, if a friend recommends you a watch store that earns you both \$50 referral credits, you might assume that he's sharing the referral for the reward, not the experience.

Tip: Reward size should only *sweeten* the deal. It should not *make* the deal happen.

SCALABILITY

Apart from being equitable, rewards also have to be scalable. The reward size should be such that it does not impact your business' financials, even if you were to grow from a thousand referred customers to a million referred customers.

CASH VS DISCOUNT

Another important choice that brands have to make while creating their reward structure is to decide whether to give away cash or discounts. For instance, some Ecommerce brands give discount coupons to both advocates and referees on their next purchase, while some brands insist on giving away cash in the form of shop credits.

So, which is a better strategy?

It depends on the customer's interests and motivations. If you think your advocates are unlikely to make repeat purchases, give them cash discounts. It typically applies to products that people buy rarely or once a year. However, if you sell premium products that customers require on a regular basis, you can give away discount coupons, too.

Again, there's no hard rule, except the fact that your choice of reward should not impact the profitability of your business. For example, if you're giving away 35-40% discounts coupons just to acquire users, hoping to turn them into retaining customers, it's a bad gamble. Similarly, if you are offering cashbacks that exceed the average LTV, you're doing it wrong.

Tip: Give discounts or store credits instead of hard cash.

REGULATING SUPPLY

"As scarce the truth is, the supply has always been in excess of demand." - [Josh Billings](#)

In case you opt for offering referral/shop credits (which we highly recommend) as rewards instead of cash, the next step is to regulate the supply of these shop credits to ensure scalability and long-term sustainability of your referral marketing campaign.

To understand why regulating supply is so important, let's consider an example. Suppose you start offering dual-sided \$10 shop credits to every referrer who successfully refers a friend, with the pre-condition that friend makes a minimum purchase of \$25 on your website. Since we have an activation-based goal and are offering shop credits, so far we are doing good.

However, the referral campaign can become challenging to scale, if tens of thousands of customers start sending referrals. While you would certainly be gaining a lot of traction, it's also true that you'll also be burning a lot of cash (essentially losing \$20 on every successful referral) to gain users.

The scenario can get especially dicey, when you have a marketplace model, where you need to pay the merchants the exact cost of the products, and not the discounted price. To avoid an impending cash crunch, you need to create a scalable reward structure that's in proportion with the operating margins of your company.

Tip: Most brands regulate the supply by increasing the activation goal or reducing the reward size, as they scale their referral marketing campaign.

SHAREABILITY

Referral marketing is a user-driven marketing strategy, with all events depending proportionately on the user's willingness to share referrals. If users lose the motivation to share referrals, it can severely impact your campaign's outreach.

That's why it's so important to create a reward structure that's not only equitable and scalable, but also shareable.

SINGLE REWARDS VS DUAL-SIDED REWARDS

If you have a choice between offering single-sided or dual-sided rewards, we strongly recommend going for dual-sided rewards, simply because single-sided rewards attract the wrong kind of users. You want reward to act just as a powerful motivator for sharing; you don't want reward to be the sole reason why the referrer makes the referral.

Dual-sided rewards motivate users to share experiences by offering equitable rewards to both--referrers and referees. The referrer does not feel bad or selfish about making the referral, while the referees feels it's something in it for them, too.

Since dual-sided rewards offer a *win-win* solution, they are a great way to reduce the inherent social barrier, and make users feel good about sharing experiences and talking about your brand.

Tip: Optimize your rewards for sharing, not earning.

DELIVERING INSTANT GRATIFICATION

While rewards are certainly the best way to make them stay motivated, you can also deliver instant gratification by making them feel special about making a referral.

For instance, if an user successfully signs up using a referral code, you can send them instant referral credits and shoot them a personalized “Hooray! You just got \$xx credits. Let’s go shopping” email. You can also include your referral CTA in the email and motivate them to earn more from your referral marketing campaign.

Tip: Make users feel good about making a referral.

GETTING THE WORD OUT: CAPITALIZING ON THE INFLUENCERS

Once you have created your referral marketing strategy, the next step is to promote your campaign, enroll more users and get more referrals. But just like any other marketing channel, referral marketing funnel consists of an interdependent sequence of events, starting from user participation to referral conversion.

In this chapter, we’ll discuss how you can track and optimize each and every step of the multi-stage referral funnel to engage more users and improve conversions.

REFERRAL MARKETING FUNNEL

Referral marketing funnel is a step-by-step break up of the entire referral process, with the width of the funnel determining the span of the event, while the placement of the event denotes the chronology in which the event occurs.



USER PARTICIPATION

User participation is the percentage of people your referral marketing campaign reaches. It encompasses users discovering your referral campaign through friends, people directly visiting your website, following you on social media, reading your emails, or simply completing a purchase.

It's the first and the most crucial step of the referral funnel, since the success of all subsequent steps depend on how much user participation your referral marketing campaign gets.

Here's how you can improve user participation:

HOMEPAGE PLACEMENT: There's no better place to advertise your referral marketing campaign than to put it on your home page's carousel, as it gets the maximum attention, and is nearly impossible to miss. It's also a great way of showing your customers that you value your referral marketing initiative (and they should, too!).

EMAIL MARKETING INTEGRATION: Let's be realistic. Not every user is going to visit your Ecommerce store everyday. So, why not take the opportunity to add your referral CTA in your newsletters or promotional emails?

SOCIAL MEDIA CAMPAIGNS: With more than a billion people using social networks everyday, not spreading your word about your referral marketing campaign on social media is simply a missed opportunity.

PROGRESS BAR: Users hate waiting, but sometimes you have to make them wait, while you process an order or fetch order information. Why not leverage the opportunity to ask for a referral? You can put your referral CTA just below the progress bar, so that users engage with it, while they wait for the results to be displayed.

SHARING RATE

Sharing rate is the percentage of people who actually share referrals, when given the opportunity. For instance, your referral campaign may reach a million people, but from those million people, how many actually click on that "Share referral" link defines the sharing rate of your funnel.

Here are some ways to improve your sharing rate:

ORDER COMPLETION PAGE: The best time to ask for a referral is when your customer has just had their first WOW moment or a happy shopping experience. Since their excitement is at peak, they feel positive about referring their friends.

REFERRAL WIDGET OPTIMIZATION: One of the best ways to improve sharing rate is to create a dedicated referral widget and place it on all the pages where you deliver a delightful customer experience. You can also integrate the most popular social channels with the widget, so that users can share referrals with their friends in just one click.

MOBILE APP NAVIGATION: Considering the fact that nearly 70 percent of users now access shopping experiences from their smartphones, integrating a referral link in the mobile app navigation menu drastically improves the average number of shares per user.

REFERRAL VISITS

Referral visits can be defined as the percentage of users that actually click on the referral link and navigate to your website or mobile app. For example, if you share a referral link on social media and ten users click on the link, you've earned ten referral visits.

Placement of the referral links has little to do with improving the referral visits, since it depends on how many users click on the link. However, you can improve the percentage of referral visits by personalizing referrals and encouraging users to share referral links through multiple social channels.

REFERRAL CONVERSION RATE

Referral conversion rate is the percentage of referred visitors that actually get converted into your customers. You may have a high participation rate, huge sharing rate and a great number of referral visits, but if you're not converting them into customers, none of it matters.

Since conversion rate is at the bottom of the funnel, the only way to improve the referral conversion rate is to deliver great customer experiences or offer tempting rewards. That being said, you can always look to multiply the flywheel effect by asking the referred users to send referrals to their friends. Here's how you can improvise:

ONBOARDING PROCESS: You can integrate the referral widget in the onboarding experience to encourage newly acquired users to share referrals. Since user excitement is at peak during onboarding, sharing rate increases.

SUCCESS NOTIFICATIONS (COMPLETE THE INVITE LOOP/ENCOURAGE MORE REFERRALS): Another great way to improve referrals is to send success notifications to your brand promoters about successful referral conversions.

For example, if Alex referred Susan, and Susan onboarded the shopping experience, it's time to notify Alex and offer him instant credits, so that he feels encouraged to send more referrals. Success notifications are a great way of triggering the flywheel effect.

IMPROVING CONVERSIONS

The purpose of creating a referral funnel is to streamline user behavior and improve referral conversions. So far, we discussed specialized strategies for improving responsiveness at each stage of the funnel. But there are some referral marketing strategies that are holistic and independent of the stage of the funnel, like the ones mentioned below.

PERSONALIZE REFERRAL CODES

Instead of assigning a randomly generate referral code to every user, why not give them a personalized referral code that makes them feel more connected with the brand?

For example, Uber has been famous for creating personalized referral codes, by putting the user's name on it. While it might seem like a small gesture, it builds up the emotional connection with the brand, thereby increasing sharing rate and referral visits.

Personalized referral codes are also easier to remember and give more credibility to the referral link. For instance, if a user shares a referral code with her name on it, there are more chances that people will follow through, and not consider it as spam.

ENCOURAGE SOCIAL SHARING

Referral marketing is an imitation game. When people can't make out whether they need to try something, they assume other's people's actions to be correct, and adapt quickly. It's called the concept of social proof.

Perhaps the best example of using social sharing to grow referrals would be Dropbox.

Dropbox encouraged users to share their referral links on Facebook and Twitter by providing them a few MBs of additional storage. The result? [Nearly 2.8 million people sent direct referral invites within a month.](#)

While majority of users would be inclined towards sharing referrals via email or personal messaging, you need to encourage them to share their referral links through social media.

When referrals start coming from multiple sources they trust, users not only adapt to the new behavior, they also validate it as being correct.

CREATE A REFERRAL DASHBOARD

Referral marketing is about gathering the trust of the users, and like every relationship, trust levels increase only when there's more transparency. Creating a referral dashboard to provide instant, transparent and accurate insights to referrers is a great way to close the feedback loop and improve credibility of your referral program.

Instead of second-guessing whether their friend signed up with the referral link, it allows your brand promoters to track signups and view the earned credits instantly.

And it's not just about building trust.

Referral dashboards also offer a great bragging point, as it allows users to share their referral success instantly with their friends or family. When people compliment promoters with “Hey! That’s amazing. Which store is that?” or ask them questions like “How did you manage to get so much discount?”, the referrers feel special.

The *sweet* combination of instant gratification and social validation amplifies their desire to repeat the behavior and keep referring.

REFERRAL ANALYTICS: CLOSING THE MARKETING LOOP

“If you can’t measure it, you can’t improve it.” - [Peter Drucker](#)

Once you’ve created your referral marketing strategy, the next step is to test your approach with behavioral data, usage patterns and real-time referral analytics. That’s because the strategy that you formulated on the whiteboard might not be ideal.

It’s possible that you left a few loose ends or overlooked some key parameters, which could hamper the influx of referrals and reduce conversions.

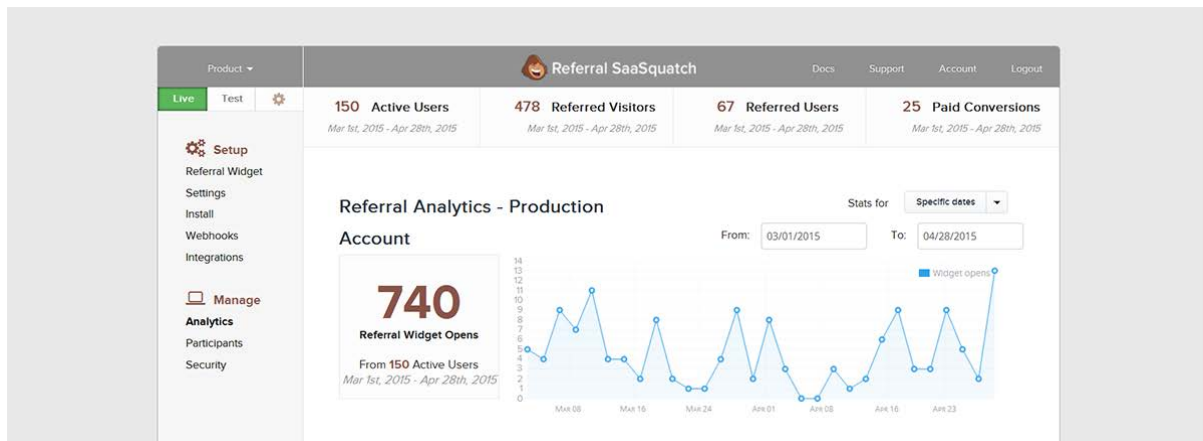
Referral analytics gives you the ability to slice and dice the data to validate your hypothesis, find emerging patterns, and fix the underlying bottlenecks in your referral funnel. It also helps you close the marketing loop by providing actionable insights and valuable feedback.

IDENTIFYING BOTTLENECKS: CREATING A FRICTIONLESS EXPERIENCE

“If you torture the data long enough, it will confess.” - [Ronald Coase](#)

The right answers come when you ask the right questions. For example, if your question is “Why is my referral program not driving enough traffic?”, it’s difficult to answer it without looking at the data, since the scope of the question is wide.

However, when you use referral analytics to drill down on your referral funnel, it becomes relatively easier to answer the question, since analytics gives you a complete overview of how the referrals are flowing across the funnel.



For instance, from the above Referral SaaSquatch dashboard, we can make out the number of active users on the app, the total number of referred visitors, actual referred users, widget opens and paid conversions.

If you look at the number of active users (150) and referred visitors (478), it's clear that an average active user sends about 3-5 referrals, which is great. However, if you look at the actual number of referred users (67) vs referral visitors (478), you realize that only 15% of them successfully onboard the product, which is not that great.

Similarly, if you use data to analyze each and every step of your referral funnel, you'll be able to look at which rates are dropping and which metrics are improving. In rather simple words, referral analytics helps you visualize your entire referral marketing funnel in real-time.

If you let that sink in for a while, you'll realize that referral analytics is an incredibly powerful tool. It gives you real-time insights on what works and what does not. It eliminates all guesswork, and aligns your referral campaign towards people's expectations.

It's one of the major reasons why online referral marketing has an edge over traditional word-of-mouth marketing. You cannot keep a track of how people are advocating your brand offline, but you can easily visualize how people view, share and engage with your referral marketing campaign online.

A/B SPLIT TESTING: FINDING THE WINNING STRATEGY

No referral marketing campaign is perfect.

It might happen that you've designed an *awesome* referral marketing strategy, but you're still not getting the results you want. It happens with the best Ecommerce brands-- no one gets it right the first time. But, instead of going ahead with an approach that does not deliver profitable outcomes, it's much better to take some time to reflect and reiterate.

Think of referral marketing as a *maze*; not a *race*. You're creating an automated lead generation ecosystem for the long term. The goal is not to design, develop, deploy, test and scale as fast as possible and then forget about it; instead, the goal is to design a self-sustaining system that connects with a large percentage of your active users.

When there's no clear way to know why your referral marketing strategy is not working, you need to take up A/B testing. As the name suggests, A/B testing is about creating two different variants of marketing content to see which variant delivers better outcomes.

For instance, let's say you learn from your referral analytics that despite having a good user participation rate, your sharing rate is poor. Now, in order to generate an uplift in sharing rate, you need to first understand why are not people sharing referrals.

Maybe, your referral widget is not user-friendly. Maybe, you haven't found the right reward structure. Maybe, you haven't picked the right social channels for sharing the referral. Or, maybe, it's something entirely different.

A/B testing helps you find that loophole. Here's how:

- 1) First, you need to create two different variants of your referral CTA.
- 2) Next, you need to split the two variants, so you run variant A for three months and variant B for three months.
- 3) Then you can analyze the performance difference with referral analytics, and see which version performed better.

By splitting variants equally between your audience and using data from referral analytics to measure engagement, you get statistical evidence on which is the best performing referral marketing strategy for your brand. Of course, this involves doing a lot of design changes and you need to back and forth a number of times, but in the long run, it's worth the effort

Note: When performing A/B testing, a dedicated referral software really comes in handy, since it's focused on optimizing referrals and showing numbers that really matter.

CAPTURING FEEDBACK

Apart from identifying issues and fixing them with A/B testing, analytics can also be used to capture user feedback and build engagement.

For example, you can combine referral analytics with usage statistics to create accurate buyer personas. If you're wondering how, it's simple. You just need to drill down on the users that sent the most referral invites, and see their customer lifetime value? What made them feel positive about the

shopping experience? Conversely, you can also drill down on users who have a high CLV but have not referred any users. What's keeping them at bay?

You can then target the users who have high CLV and have sent the highest referrals, and appreciate their efforts by paying them slightly higher rewards. On the hand, you can improve engagement with users who have high CLV but have sent lower referrals by sending them promotional emails.

As you can see, amazing things happen when you start leveraging the power of referral analytics. From fixing bottlenecks to building engagement, referral analytics provides answers to all your problems. You just need to ask the right questions.

10 COMMON ECOMMERCE REFERRAL MARKETING MISTAKES TO AVOID

In the section, we have compiled ten of the most common mistakes that ECommerce brands make with their referral marketing campaigns. To formulate the list, we studied hundreds of Ecommerce referral campaigns, analysed their success rates, and narrowed down on the recurring failure recipes across the industry.

The motivation behind compiling this list is to provide marketers key insights on how to dodge the most common referral marketing deadlocks and to enable them to create a compelling referral experience.

1) NOT CAPITALIZING ON WOW MOMENTS

Many eCommerce brands deliver WOW experiences to their customers, but make the mistake of not capitalizing on them. That's how they reduce the overall user participation rate, and mitigate the effectiveness of their referral campaign.

In fact, according to a report published by [Texas Tech](#), 83% of customers are willing to refer after a positive experience, but only 29% actually do. The conversion gap lies in not leveraging the opportunity to ask for a referral at the right moment.

For instance, if you just made the customer happy by providing them a faster shipping option or offered them a great exclusive discount, why not take their feedback and ask them to share their experience with their friends?

Tip: Asking for a referral just after a WOW moment not only increases the user participation rate, but also improves the average referrals sent per user.

2) CREATING A REFERRAL PROGRAM THAT'S TOO COMPLICATED

Customers love simplicity. If your referral marketing program is difficult to follow and not instantly shareable with the click of a button, there are chances that you'll severely limit the impact of your referral marketing campaign.

Some of the most common ways in which ECommerce businesses complicate their referral marketing campaign is by creating a lot of initial barriers (signup, account verification, multiple redirects, etc.), requiring a lot of user inputs (referee name, email, phone number, etc.), or using improper design elements (unclear CTA, ambiguous language, inconsistent interfaces, etc.) for conveying the message.

Simplicity in referral marketing is important, because users are highly impatient, and if it takes more than a few seconds to figure something out, they'll bail out on the process.

You can avoid the death-trap by minimising the number of steps involved, simplifying the language and personalising the referral experience.

Tip: Make referral sharing simple by keeping it a one-step, one-click process.

3) HIDING YOUR REFERRAL PROGRAM BELOW THE FOLD

If your referral program is not directly public facing and hidden below the fold, you're decreasing the user participation rate and losing out on qualified leads. That's because not many users would take the pain of finding out that you actually run a referral program, if you don't advertise that you do.

So, instead of creating a dedicated page on referrals, integrate referral marketing in your product experience, and capitalise on the WOW comments to improve user participation.

You can also give more visibility to your referral marketing campaign by including the referral CTA in your homepage, emails, order completion pages, social media campaigns, mobile in-app menus, progress-bars and other user engagement touchpoints.

Tip: Don't run a referral marketing campaign in secrecy. Tell your users about it.

4) CONFUSING AFFILIATE MARKETING WITH REFERRAL MARKETING

While they might seem synonymous to each other, affiliate marketing and referral marketing are not the same thing. Affiliate marketing is a reward-driven product referral system that motivates people to shop products on your store, while referral marketing motivates users to try the shopping experience.

For example, Amazon runs an affiliate marketing program, under which it provides a commission on every sale that affiliate marketers drive through their links. It's a purely reward-driven mechanism that focuses on promoting the products on your website.

On the other hand, Amazon Prime's referral marketing program motivates users to share the "Prime experience" with their friends for referral credits.

Notice the difference? While affiliate marketing aims to grow your top-line, referral marketing is a customer acquisition program that focuses on improving brand loyalty and customer life-time value (CLV).

While you can certainly take a balanced approach by running both campaigns in parallel (like Amazon), it's important to understand the distinction between the two, and how it affects your growth metrics in the long term.

Tip: Affiliates promote products. Referrers promote experiences.

5) OFFERING A REWARD THAT'S RIGHT FOR YOU, BUT NOT THE CUSTOMER

For referral marketing to really work, you need to focus on what's right for the customer, not the brand.

Often, Ecommerce stores make the mistake of offering a reward that's right for them (because it's insignificant!), but does not provide any tangible incentive to the customer.

For instance, if a store is offering \$5 referral credits when a referred user successfully completes a \$200 purchase, they're offering them a ridiculously low deal. It sends a signal that the brand does not really value its customers.

That's why it's so important to optimize your reward structure for customer success and give them a relevant reason to send referrals to their friends.

According to [rule of reciprocity](#) in social psychology, humans are internally wired to pay back what they receive as favors, which is why giving an appropriate referral reward makes sense. It not only accelerates referral sharing, but also improves brand loyalty and customer retention.

Tip: Your success depends on your customer's success. Make them happy.

6) INACCURATE REFERRAL TRACKING

If you wish to run a referral marketing campaign for a sustainable period, the last thing you would want to do is frustrate your users. But guess what's the easiest way to frustrate your most loyal customers? Not giving them instant referral credits for a successful referral.

Many Ecommerce brands use an in-house referral marketing software to send and track referrals. However, since referral tracking is not a part of their core product experience, they often leave a few loose ends, which accumulate over time to deliver an inconsistent referral experience.

For instance, if you recommend Uber to your friend, you get instant credits whenever they complete their first ride. The instant gratification received from getting instant referral credits is one of the biggest motivators for users to share more referrals with their friends.

Does your referral tracking software accurately track referrals and passes on the credits in real time? If not, it's time to brew some coffee and change some code. Alternatively, you can also get a dedicated referral marketing software that accurately handles referrals as you scale. Either way, you can't afford to keep users waiting or guessing.

Tip: Improve referral sharing by delivering instant gratification.

7) NOT USING A/B TESTING TO FIND A WINNING STRATEGY

Once you get a referral marketing program up and running, it's easy to fall into the trap of assuming that the program will run on its own, forever. But, like all marketing initiatives, referral marketing programs need to be continuously optimized, so that it stays relevant and continues to deliver favorable outcomes.

Using A/B testing, you can get clear insights into activities, referral channels and behavioral patterns, so that you can find the winning strategy for your brand. Perpetual optimization of your referral marketing ecosystem is crucial for staying relevant and profitable, especially in a highly competitive eCommerce space.

If you're not using A/B testing to find a winning strategy, there's a risk that you'll not be able to scale your referral marketing beyond a certain point. You can avoid that death trap by always challenging the status quo and not settling for 'A version'.

Tip: Take a spiral approach to referral marketing.

8) TARGETING A NARROW SET OF CUSTOMERS

When it comes to referral marketing, there's one approach that fails every single time. It's the "pilot" approach. ECommerce stores, which are relatively new to referral marketing, make the mistake of testing the program only with their "best" customers.

While it makes sense to test your referral strategy with a narrow set of users and scale later, the approach only leads to disappointing referral results as it limits the target audience, thereby reducing user participation.

Remember how referral marketing is a funnel? If you don't put enough users at the top, nothing will come through the bottom.

So, it might seem counter-intuitive, but there's an enormous advantage to opening up the referral program for everyone. You not only improve user participation, but would also gain better insights into how actually are your best customers or rather-- brand ambassadors.

In case you want to leverage A/B testing to find the best strategy, you can start by running two programs-- one that's public facing and another that's tailored specifically to your best customers.

Tip: Put more customers at the top of your referral funnel, if you want to have more at the bottom.

9) OFFERING INEQUITABLE REWARDS

This mistake is the exact opposite of #5.

In order to stay competitive and gain more users, Ecommerce businesses often make the mistake of over-incentivizing their referrers or referees. The result? They acquire a lot of users, but run out of incentives soon, thereby losing their capability to incrementally scale the campaign and turn it into a permanent revenue channel.

Of all the mistakes, this can prove to be the most costly as you're not only degrading the quality of customers you acquire (since they are motivated by reward, not by experience), but also burning a lot of cash.

After all, a customer acquisition is equitable only when the cost of acquisition (CAC) < Lifetime value (LTV). If your referred users are motivated purely by reward, there's a high chance that they won't return after their deeply discounted first purchase.

Tip: Don't give deep incentives just to acquire more users.

10) NOT EXPLORING OTHER REFERRAL MARKETING CAMPAIGNS

"The best way to learn a sport is to watch and imitate a champion." - [Jean Claude Killy](#)

Like every other strategic marketing campaign, referral marketing is an evolutionary science. You cannot afford to "set it and forget it". In order to stay competitive, you need to keep looking for new ways to engage with customers and drive referrals.

In the recent times, a lot of startup companies, including Dropbox, AirBnB and Uber have leveraged the power of referrals to grow organically. Since referral marketing is a science, there's no magic trick. You can study their referral marketing campaigns, learn from their mistakes and apply their working theories to your referral marketing campaign.

Imitation is not only the fastest way to learn, but also the safest.

Tip: Draw inspiration from other referral marketing campaigns.

CASE STUDIES: HOW CUSTOMER REFERRALS DRIVE STUNNING PROFITS

“Imitation is the most sincerest form of flattery.” - [Oscar Wilde](#)

As an added bonus, we are attaching some referral marketing case studies with this book, so that you can dive into the data and analyze how brands around the world are using referrals to transform customer behavior, generate revenue and invoke brand loyalty.

To make it a quick-read, we’ve already crunched the numbers and highlighted the key take-aways from each of these case-studies. If you are in the mood to dive deeper, we’ve also attached detailed reports at the bottom.

[DROPBOX](#)

Dropbox’s referral program is often cited as the epitome of customer referral marketing, with the company managing to grow a staggering 3900% in just over 15 months.

We have broken down the numbers for you in [one of our previous blog posts](#), but the highlights of Dropbox’s referral marketing campaign are noted below:

- Dropbox went from 100,000 to 4,000,000 in just 15 months, growing exponentially at the rate of 28% per month.
- Out of the total customers acquired, a staggering 35% came through referrals. It’s estimated that in April 2010, Dropbox users sent 2.8 million direct referral invites.
- Referral program with dual-sided incentives increased signups by 60%.
- Dropbox reduced its CAC (Customer Acquisition cost) from \$223-\$338 to just 1 GB of storage space. The referral campaign not only helped them save millions of dollars in advertising, but also allowed them to focus resources on making a better product- thereby, offering them a significant competitive advantage.

If you wish to read more about Dropbox’s referral marketing campaign, we highly recommend the presentation: [Dropbox Startup Lessons Learned](#) by Drew Houston.

[AIRBNB](#)

AirBnB is another great example of referral marketing done right. As of today, AirBnB is valued at \$30 billion, making it the [third most valued startup in the world after Uber and Xiaomi](#). Referrals played a pivotal role in AirBnB’s growth strategy, with initial numbers suggesting that they [increased bookings by 25%](#).

Some key take-aways from AirBnB's referral marketing case study:

- AirBnB encouraged referrers by providing them dual-sided \$25 credit when the referred user books their first trip and a \$75 credit when they host their first guest.
- After A/B testing across millions of users worldwide, AirBnB found that altruistic emails ("Give Your Friends \$25 to travel") resulted in more invitations than self-centered emails ("Invite Your Friends. Get \$25.").
- AirBnB also found that referred users tend to be better than the average user-- in the sense that they not only booked more trips, but also sent more referral invites.
- AirBnB found that referrals invites sent as gifts (and not as promotions!) dramatically improved conversions. That's one of the reasons why AirBnB includes the referrer's photo and name in the referral invite, and uses words like "Give", "Gift" and "Share".

Read AirBnB's remarkable growth story, [here](#).

TYPEFORM

TypeForm managed to grow word-of-mouth referrals and turn it into a consistent revenue generating channel. It leveraged Referral SaaSQuatch's referral marketing engine for automatically tracking and rewarding every referral made by its large user base.

The integrated referral program not only improved their growth rate, but also helped them engage with new customers. Here's a breakup of the case study:

- Seamless integration and flexible customization options allowed Typeform to retain the brand's look and feel in their referral marketing program.
- Improved resource utilization by reducing development and recurring maintenance costs.
- The dedicated referral marketing program generated 10% annual paid user growth.

Read Typeform's referral marketing [case study](#).

EQUITYFEED

EquityFeed accelerated their growth by running a double-sided referral program that rewarded users with a monthly discount on a successful conversion. It was one of the most successful customer acquisition strategies that generated consistent revenue and improved product engagement for EquityFeed.

Here's a brief breakup of the case study:

- Referrals generated new website visitors and turned them into paying customers. The double-sided reward led to a high conversion rate of trial customers converting to paid customers.
- Leveraging Referral SaaSQuatch's referral tracking platform, EquityFeed managed to stay focused on delivering exceptional products to their customers, without getting distracted by building a non-core functionality.
- Eliminated development, maintenance and future upgrade costs.
- Clocked 5% monthly engagement rate, resulting in 18% annual paid user growth.

Read EquityFeed's referral marketing case [study](#).

BALLPARK

BallPark leveraged the power of referrals to enroll more businesses into their platform. They realized that instead of burning thousands of dollars on advertising, it was much more profitable to turn happy customers into brand influencers.

Here's a breakup of their referral marketing case study:

- Integrated Referral SaaSQuatch's marketing platform for seamless referral experience that looked, felt and acted like it was a native part of the application.
- Marketing team was able to track health of the marketing program, identify brand influencers and generate reports for the company-- a feature that had been missing in their home-grown referral program.
- Referrals generated 9% annual paid growth for Ballpark.

Read Ballpark's referral marketing case [study](#).

CONCLUSION

Referrals are a great way to capture qualified leads, improve brand loyalty and scale your business, at zero marketing costs. Just like the flywheel, it takes up a little bit of effort to set up the referral experience, but once you're past the implementation stage, you've essentially creating a self-sustaining lead machine that markets itself.

In this book, we covered the basic principles of online referral marketing and demonstrated solid methodologies for improving referral experiences.

Like the flywheel effect, the book intends on being that external stimulus that sets your business on the path to referral marketing. We hope the principles used in the book help you in improving and optimizing your referral marketing campaign.

If you're interested in taking a demo of our dedicated referral program software, please feel free to get in touch with us at sales@referralsaasquatch.com



saasquatch

Ready to get more customers with our
referral program software?

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