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# Resident Referrals: Sometimes you just *have to ask!*

Communities with robust resident referral programs know that resident referrals don't magically occur - you have to ask. Statistically, a prospect who is referred by a resident has a much higher likelihood of converting to a sale. Yet too often communities spend little time and few resources to encourage or reward resident referrals. Some communities are reticent to offer financial rewards for referrals, and some residents are reluctant or even affronted by the idea of being paid for a referral.

In general, we find that resident referral programs work well if they have two key elements:

- 1) the program is visible and continuously promoted
- 2) residents feel their efforts are recognized and appreciated

That doesn't necessarily mean they should be paid for their efforts, but recognized in some fashion, whether it's a personal note, a bottle of wine, flower arrangement, gift certificate or other small token of appreciation.

For Solutions Advisors, a structured resident referral program is always an important marketing strategy. At one community, just under 5% of total inquiries are from resident referrals, yet they account for 27% of sales, the highest inquiry source for all sales. The difference is that resident referrals cost a fraction of what other leads cost and have a much higher conversion rate.

Here are some ideas for enhancing your resident referral program:



## Yearly Resident Appreciation Parties

Instead of - or in addition to - rewarding individual referrals, hold a year-end appreciation party for residents with games and prizes for residents who have provided referrals.

## Resident Housewarming Parties

Two or three months after a resident moves-in, encourage them to hold a housewarming party for a handful of friends. All the resident has to do is supply the names, the marketing department sends out the invitations on their behalf, pays for housecleaning before and after, and foots the bill for food and beverages.



## Paid Incentives

The practice of rewarding both the referring resident as well as the move-in is often more palatable to residents as they don't feel like they are making money off of their friends. For instance, split a \$2,000 referral incentive equally between the referring resident and the move-in.

## Public Recognition

Take a picture of the resident and the referral together and hang prominently on the resident bulletin board.



## Resident Town Halls

Promote and reinforce the program at regular resident meetings. Remind residents of the importance of their participation. Encourage the resident council to reinforce and promote the program.

## Formal Brochure

Develop a formal brochure promoting the program and why resident referrals are important (lower promotional costs, higher success rates, etc.). Include a card that residents can use to write in the referral's contact information and drop off to the marketing office to receive proper 'credit' for the referral.



## Ambassador Program

Implement a resident ambassador program to involve residents more fully in the entire marketing program and utilize the ambassadors both as referral sources and to encourage other residents to make referrals.



## Resident Testimonials

Some residents may feel more comfortable providing a testimonial instead of a referral. Resident testimonials and stories allow them to be involved in the marketing and sales process and possibly more comfortable making a direct referral in the future.

Of course, the ultimate success of any resident referral program hinges on having happy and satisfied residents. If your resident approval ratings are low, it's a good idea to work on increasing satisfaction levels before implementing a referral program.

To learn more about resident referral promotions and other successful marketing strategies, please visit [www.solutions-advisors.com](http://www.solutions-advisors.com) or call 888-312-0889.