



projectline

## **Extraordinary Customer Reference Programs** Three Essential Elements

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*This paper is intended for sales and marketing managers who are starting a reference program, running a program that is relatively new, or would just like a fresher on program basics. This is not intended for a mature reference program.*

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## Provide the best customer references, every time.

Customer references are essential sales and marketing resources. They can help accelerate sales cycles and win bigger deals. But let's face it, not every customer reference is as excellent as the next. Say a member of your sales team is trying to close a difficult sale; a reference from a customer in an unrelated business could fall flat, and a reference that has been overused and burned out might make matters worse.

The best customer references are the right references for the right opportunities, compelling references that make an impact and close the sale.

You can provide the right customer reference, every time, with a well-managed customer reference program, the more extraordinary the better. But how do you create an extraordinary customer reference program, or make an existing program even stronger?

### Why bother with a formal customer reference program?

#### The program can:

- Increase number of references available to impact sales and marketing
- Reduce time and money spent on ad-hoc references
- Reduce customer burn-out and increase customer satisfaction

### Sound familiar?

We bet you hear these questions coming from executives, account managers, and PR teams.

- "Who are our potential reference customers?"
- "How many times has this customer been referenced?"
- "Did that PR interview result in a positive article?"
- "What customers are we allowed to quote in our proposals?"
- "Why won't our favorite customer be a reference for us anymore?"
- "Do we have permission to use this quote? This logo?"

No matter how large or small your organization, division, group, or offering, a successfully executed customer reference program will help you keep your account teams engaged, your executives impressed, and your customers happy.

cus•tom•er ref•er•ence  
[kuhs-tuh-mer ref-er-uh ns]  
– noun  
*a customer who will advocate on behalf of a vendor by communicating with other customers, analysts, or press about their experiences with the vendor's products or services.*

### The three elements of an extraordinary customer reference program.

1. Happy Customers

2. Engaged Account Team

3. Executive Support

The most obvious element of a strong reference program is a pool of satisfied, **happy customers** who will enthusiastically advocate for your products or services. But to make your customer reference program truly extraordinary, you also need **engaged account teams** and solid **executive support**.

By building trust with your account teams, you encourage them to draw upon the current pool of references, and contribute new customers to the reference program. An actively engaged account team ultimately generates executive satisfaction, which helps promote participation across the organization. To close the loop, circle back to your happy customers, reward their participation in reference activities, and protect them from overuse. That way your customers stay happy, and remain effective references for a longer period of time.

With an intelligently managed customer reference program, you can do much more than close sales. You can enhance your company’s market credibility, foster and maintain beneficial relationships, and effectively leverage your most valuable marketing assets: the voices of satisfied customers.

cus•tom•er ref•er•ence pro•gram  
[kuhs-tuh-mer ref-er-uh ns proh-gram]  
– noun  
*provides structure for managing refer-  
ences and consists of an interdependent  
combination of three essential internal  
components:*

- *A centralized database of happy customer references.*
- *A program manager for recruiting, securing, facilitating, and tracking customer references.*
- *Sales and marketing teams who utilize the program to provide the proof they need.*

### Engage your account teams.

Account teams are the largest consumers of customer references, and the primary source for new references. It is crucial for reference managers to build strong ties of cooperation and trust with account managers.

#### Make friends and build trust.

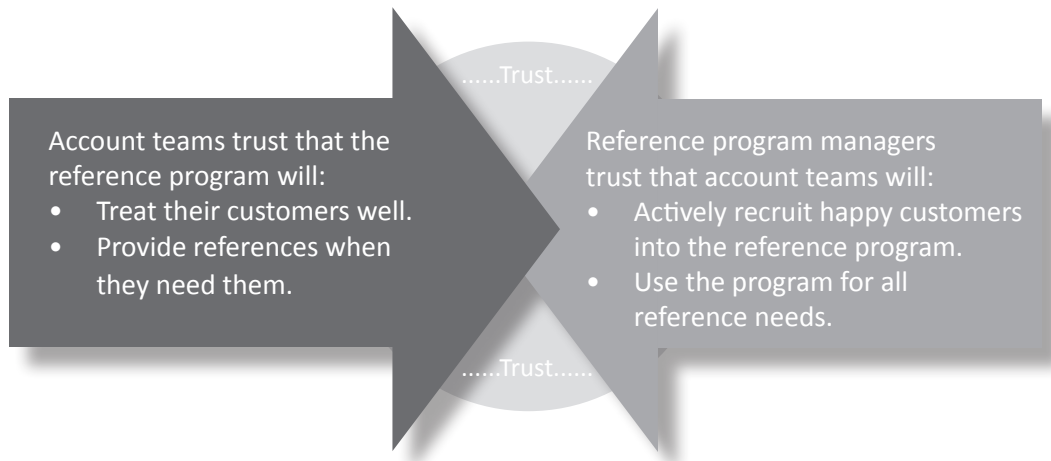
Reference managers and account managers both need the same thing: customers. Account teams continually have new deals to close and need a steady supply of new customer references. Reference managers need new nominations to maintain a pool of fresh references that can help close future sales.

But account managers may be reluctant to just hand their top customers over to a reference program. Account teams are on the front lines of customer relationships, responsible for generating the long-term satisfaction and fidelity that drive customers to become references. They don’t want to risk compromising the relationships they have worked so hard to build.

The reference manager has to reach out to account managers, make sure they understand the program, and demonstrate how the program will make the reference experience positive for customers and account teams.

Account managers will then be more likely to nominate their important customers for the program, helping to maintain a diverse pool of highly qualified references.

Account teams also have to trust the reference program to provide the right references at the right time. By providing account managers with consistently amazing references, reference managers can take the relationship to another level.



### Eight ways to connect with your account team.

1. Send a personal e-mail message to introduce yourself and the program, and explain how the program will benefit them (effective references, less work, better coordination, etc.).
2. Continually emphasize that the program exists to support their efforts.
3. Demonstrate how the program will benefit their customers and avoid overburdening references.
4. Provide reference-process training for account managers and share customer-reference best practices.
5. Include program information in employee sales training material.
6. Have customer-ready program overviews for the sales team (template e-mails, nomination form, FAQs) that they can use to introduce their customers to the reference program and kick off participation. Make it easy—they get paid to sell, not to recruit customer references!
7. Recognize account managers for nominating new customers into the program. Feature them in newsletters or other internal company announcements, summarizing their best references and customer relationships.
8. Always ask for feedback from your account teams on the value they receive from the program and how they feel their customers are treated.

**IDEA**  
 Ask an account manager for a **NEW** customer for the program right after you've helped them find the perfect reference.

**Does an extraordinary customer reference program sound great, but may be beyond the in-house resources of your company?**

Try partnering with marketing specialists who have expertise in managing customer reference programs. This can save money by eliminating training or ramp-up costs, and get your program started off on the right foot.

### Win executive support.

As we discussed, account teams may be reluctant to nominate their best customers as potential references. This makes it hard to maintain a large pool of qualified references, which can lead to overused, unhappy customers. To help drive account-team participation and build even stronger relationships with your happy customers, you need to generate support for the program at the executive level.

### Show executives the benefits.

Generate program support by providing specific benefits for executive stakeholders. A customer reference program can provide executives with monthly updates on showcase customers saying great things about the company's products or services, which references are being used for key opportunities, and how specific references are contributing to sales cycles. Executives can use the program to build and enhance relationships with top executives at reference enterprises, relationships that can help enhance the company's profile, and even contribute to product development.

### Six ways to get executives more involved.

1. Provide program tracking reports that provide executive stakeholders with a view into the impact of the program.
2. Ask executive stakeholders to direct account managers to use the customer reference program for all reference requests.
3. Share some of your best customer stories, implementations, and references with executive stakeholders.
4. Encourage executive stakeholders to run promotions and contests to reward account teams that supply the most effective references.
5. Offer networking opportunities for executive stakeholders to meet the customers, such as hosting a dinner for top references.
6. Develop a customer advisory council that can provide executives with feedback on products and services.

#### IDEA

Work with the executive team to run a contest once or twice a year to reward account managers who nominate customers into the reference program.

### Keep happy customers happy.

Always show gratitude to customers who are willing to make a presentation at an event, participate in marketing activities, or speak directly with peers, reporters, and analysts on your behalf. Remember to be thoughtful, professional, and courteous when making a reference request, and always thank them for their time, energy, and business. Remember, they are taking time out of their busy work days to help you sell your product or service to their business peers and even their competitors!

### Get creative.

A customer reference program should provide benefits for customers who participate in the program. By increasing the customer's satisfaction with the reference experience, you can foster and enhance the relationships built by the account teams, while increasing the credibility and value of the reference they provide.

#### IDEA

Use incentives to thank customers and show appreciation for their time and effort—after they've participated.

Never "purchase" references or pay customers to say positive things about your products and services.

Come up with creative ways to let customers know how much you appreciate their time. Keep it simple but thoughtful: flowers, a new business book, chocolates, industry public subscription, etc. Respect their thresholds, but don't be afraid to connect on a personal level. This is a great way to find out if they would be a good reference.

By fostering a strong relationship with your customer references, you can streamline reference requests, increase the volume of willing references, and make it easier for account teams to approach and recruit customers. Remember, anyone in the program can do this; don't get hung up on one person building the relationship.

### Seven ways to keep your customer references happy.

1. Provide networking opportunities for customers where they can connect with peers from similar enterprises or enhance relationships with your top executives.
2. Offer customers the chance to impact product development through reference activities, such as a customer advisory council.
3. Give customers control over the type and frequency of reference activities they participate in.
4. Use your relationship with customers to help them expedite customer service if they have a problem.
5. Use reference opportunities to highlight a success the customer had with a particular solution or showcase the customer as an industry leader.
6. Work with the executive team to host a dinner for all the customers in the program.
7. Consider an incentive program based on a point system, where references receive a specified amount of points for different reference activities—redeemable for training, event passes, upgrades in support packages, or other rewards.

#### IDEA

Identify and reward one customer with an esteemed Customer of the Quarter (or Month) award. This will make customers feel recognized and appreciated.

### Now what?

By uniting happy customers, engaged account teams, and executive support, you can build a program that will coordinate references, protect customer relationships, and support every request with the most qualified reference available. A customer reference program that incorporates these three elements will not only support sales and marketing cycles, but it will also nurture one of your valuable business assets: your excellent customer relationships.

You've gotten a handle on the three most essential elements of an extraordinary customer reference program. Now is the time to begin documenting and implementing the specific processes to manage customer references for your enterprise, so you can maintain coordination between stakeholders and avoid overburdening participating customers or providing unqualified references to your account teams.

### About Projectline Services

Projectline Services, Inc. is a consulting services firm dedicated to advancing innovation through solutions that influence customers and transform business. Projectline offers a comprehensive suite of customer engagement marketing services and consulting.

We understand the critical role that customer reference management plays in sales and marketing success, and Projectline consultants offer unparalleled experience in customer reference program development and execution. We can work with your marketing and account teams, customers, and partners to manage your important relationships and maximize the impact of customer references in sales cycles, campaigns, events, and customer-to-customer contacts.

At Projectline, we specialize in exceeding expectations and delivering extraordinary results. Our exceptionally talented, experienced, and enthusiastic team provides the insight, strategic thinking, cultivated know-how, and passion to handle every aspect of the marketing lifecycle—strategy, planning, research, and, of course, wildly successful execution.

*For more information about customer reference management or other services provided by Projectline, visit our Web site at [www.projectlineinc.com](http://www.projectlineinc.com), contact us at [extraordinary@projectlineinc.com](mailto:extraordinary@projectlineinc.com), or follow us at <http://twitter.com/projectline>*