

Values + Trust = Referrals

HOW TO CREATE STRONGER
RELATIONSHIPS AND WIN MORE
BUSINESS



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Introduction: The model

Why do some companies, and professionals, seem to excel at building solid customer relationships? The ones where customers gladly sing their praises to their friends and family?

It could be because of a simple model based on values and trust.

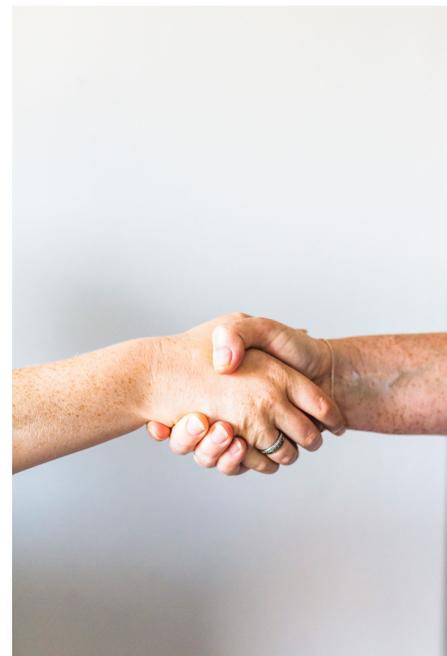


The idea:

The more customers identify with you, the stronger their feelings of trust, commitment and satisfaction with your business, and ultimately, the more likely they are to buy again and refer you to others.

So, I set out to test this idea, using the Canadian airline industry. Specifically, WestJet and Air Canada. At the time, WestJet was still a scrappy, Western-Canadian start-up, akin to SouthWest airlines. Air Canada, the legacy airline with quite a bit of, well, baggage.

Here's what the research said.



Values: Consumer-company identification

"Birds of a feather flock together."

Anonymous

We're naturally social creatures, and according to Social Identity Theory, we categorize or classify ourselves into various social groups.

What's interesting about this is that we seek out people, and organizations, that are

- 1** **Similar** to us from a values perspective (our in-group)
- 2** **Distinctive** from others based on a values perspective (our out-group)
- 3** **Prestigious** based on social perceptions, especially in western society

Together, these three traits form what is known as Identity Attractiveness, the degree to which a person sees a company's brand as being desirable.

So, we're drawn to companies who reflect back to us, in essence, who we believe we are. We look for examples that confirm key aspects of our belief system, reflected in the company.

Trust: Capability, reliability, benevolence

"To be trusted is a greater compliment than being loved."

George MacDonald

Trust drives our world. Trust in your partner. Your friends. Your co-workers. And in the companies and products you use day-in and day-out.

We all use the word and can immediately apply it. But what is trust, really? It's a confidence in another, a willingness to rely on them provided they are

1

Capable in performing a task; they have the required expertise

2

Reliable in repeatedly performing the task over and over

3

Benevolent in that they have the other's best interest at heart

When a person, or company, scores high on all three, a high-level of trust follows. Customers are continually on the lookout for examples of capability, reliability and benevolence.

It's important to note that the stage of the relationship influences which aspect is most relevant. Establishing expertise at the beginning of a relationship? Lean into capability. Something went wrong and customers are upset? A benevolence first approach may be required.

The result? More referrals



"First with the head, then with the heart, you'll be ahead from the start."

Bryce Courtenay, *The Power of One*

So, what did this study find?

Customers who strongly identified with the values of the airline (WestJet) were highly trusting of it and very likely to refer their friends and family.



How do you use this to build stronger customer relationships?



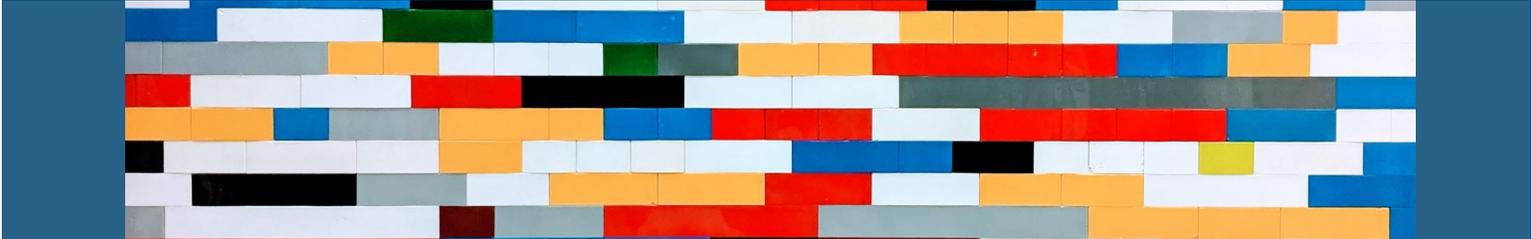
#1 Be vocal about your values.

Who are you as a company, or professional? What do you stand for? What do you believe in? Customers today are more and more engaged, especially with social media. They also want to know what you stand for, and who you are, outside of your product or service.

Here are a few ways to share your values:

- Post them on your website;
- Share them on your social media accounts, like Twitter,
- LinkedIn and Instagram;
- Create content, like videos or blogs, describing who you are trying to help (ideal customer profile) and why;
- Make your values part of your core offering, like [TOMS](#)
- Talk about the problem your product or service solves from a values perspective;
- Help customers create their own communities, like the Harley Davidson Owners Group;
- Ask customers to share their values with you.

You can also talk about what you don't stand for. It's a bit counter-intuitive, but we often define ourselves by what we're not as opposed to what we are. If it's relevant, your customers will see themselves against an 'out' group.



#2 Intentionally build trust.

make sure you are showing your customers that you are capable, reliable, and benevolent.

From the very first encounter – in-person or online – your customers are forming an opinion about you. And if you’re not intentionally building trust, then you’re missing an incredible opportunity.

Here are a few ideas to help build feelings of trust with your customers:

- If your industry, profession or craft requires credentials, show them;
- Don’t stop there. Tell your audience what each level of certification or credentials means. Give context;
- Share customer stories, or testimonials.
- Be vulnerable. This isn’t about spilling your guts on social media, but about being honest and upfront with your customers.
- Make a mistake? Own it.
- Price increase? Tell them why, and be real;
- If you’re delivering a service, ensure your first contact matches your ideal customers’ expectation;
- Create the kind of experience (sight, sound, smell) that resonates with your customers;
- Tell your customers how you are helping them;
- Aim to create ‘win-win’ scenarios for customers.

Your customers want to be able to rely on you to deliver on your brand promise. Be intentional around building trust, and you’ll be rewarded.



#3 Build a referral system.

if you succeed at showcasing your values and building trust, you position yourself for repeat business and referrals.

The key then becomes building a system to ensure you understand who is referring you, how often, and why.

Here are a few ways to start codifying your referral process:

- Track. Track. Track. Keep it simple and use a tool, like your CRM, a spreadsheet or even your phone to keep track of which customers are referring you;
- Ask. When you bring on a new customer, be sure to ask how they heard about you. If it's from an existing customer, be sure to track it;
- Give thanks. Gratitude, even in the form of a simple thank you card, shows customers that you appreciate their referrals;
- Random acts of delight. Giving thanks is good. Unexpectedly delighting your customers is priceless. Do something that 'surprises and delights' makes it hard for customers to not talk about you;
- Productizing your process. Turning your 'secret sauce' process, especially if you provide a service, into something tangible (like a document, or checklist) gives your customer something to share with others;
- Survey. Survey. Survey. Ask your customers for feedback and make sure you act on suggestions you receive.

These are just suggestions. To build out a proper plan, including a strategy that aligns with your company's overall strategy and tactics to support it, hire a marketer (if you don't already have one).

Building stronger relationships with your customers through values and trust invariably leads to more business.

Focus on your customers and their well-being, deliver on your brand promises, and they'll reward you.



About the author

Steve Pieroway, founder of Benevolent Marketing, is on a mission to help service businesses build better relationships with their customers.

He is a husband, and father to two boys, two cats and one big dog.



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