

Ep #298: Growing Through Referrals

ROADMAP *to* REFERRALS



Full Episode Transcript

With Your Host

Stacey Brown Randall

Stacey Brown Randall: Can referrals sustain you when the market or economic conditions are not in your favor? Let's find out.

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Hey there, and welcome to episode 298 of the Roadmap to Referrals podcast, a show about helping you build a referable business. I'm your host, Stacey Brown Randall. My journey from a business failure to a successful business now 10 years in, I know generating referrals naturally and consistently has made all the difference. Working with clients around the world, we leverage the science of referrals, protect relationships above all else, and help you build a referable business.

Have you ever heard of a referral web? It's where you map out the web of connection points from the referrals you receive.

For example, you would write down one referral source's name, and then you would list out the people referred to you from that one referral source. Then you go one degree deeper, and you list out who those people referred to you as well.

You can kind of think of it like a grandparent-parent-child kind of hierarchy when you're doing this. This process shows you the different degrees of your referrals based on your referral sources.

Now, if you do this visually, like a mind map, you have boxes or circles with lines connecting between them. And inside those boxes and circles are the names of your referral sources and, of course, the people they referred to you.

When I do this, I love using Miro Board. I'm not an affiliate, I just really like the software, and I'll link to it in the show notes, but I think Miro Board is a great one to help you mentally map out something that really needs to be put on paper, in this case, digital paper, but it really serves itself when it's done visually.

On today's episode, I was reminded of the power of knowing your referral web from our guest, Melissa Herdman, a real estate agent. She's going to share about not only her referral success over the last three years as part of being a member of the Building a Referable Business coaching program, so she'll talk about her referral success from 2021 through last year, 2023.

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But she is also going to talk about the referral success she's had when she went deeper and tracked those repeat clients who came back to her who were originally referred.

So if you're a real estate agent listening to this, and really this goes for any business owner out there, but if you're specifically a real estate agent listening to this, you know you want a business that's based on referrals and repeat clients.

Repeat clients being they bought a house with you five years ago, and now it's time to do it again. They need to sell or buy, right? And so most business owners actually want a business full of repeat clients and referrals. It's like the holy Mecca for most of us, right?

And so when you think about this, Most of us don't ever take that extra step and really look at, hey, those clients who come back to us on repeat, how many of them were originally referred to us? And had they not been referred to us, they never would have become, A, a client, and B, a repeat client, where we get to work with them again and again and again.

And so Melissa is going to talk about this in our interview that we did for today's episode. I think what she has to share, and specifically the numbers, the success she's going to share, it's really fascinating.

Melissa is a realtor with Kirk and Cobb Realtors in Topeka, Kansas. You can find out more about her at www.melissaherdman.com. And of course, I will link to this in the show notes as well. All right, let's get to the interview.

Stacey Brown Randall: Melissa, I am so glad to welcome you to the podcast. It is always fun when I get to have a client come on and be interviewed with me. So thank you for being here.

Melissa Herdman: Well, thanks for having me.

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Stacey Brown Randall: Absolutely. So, you know, I actually had to go back, and I was like, I know Melissa and I've worked together for a couple of years, but I couldn't actually remember what was the first year.

But 2021 was your first year working with me. So we've been together for three years. We're moving into our fourth year, which is awesome. And I'm very excited to share with the listeners today, thinking about from that perspective of making sure referrals is a strategy that you are ultimately continuing to cultivate.

So obviously I gave the intro to a little bit about who you are, but for those who may have skipped that part, as a real estate agent since 2012, you've seen the market go through a lot of shifts and changes.

And I know the real estate market is always localized, right? That's why it's location, location, location when it comes to real estate. But you've seen the industry transition. You've seen obviously different market conditions come and go.

So when you think about the changes and the fluctuations that you've seen as a real estate agent for over 10 years, like what's that ride been like for you? What's that journey been like?

Melissa Herdman: Well, it's been interesting. It's one of those things, when I was a nurse, when I was in nursing school, I had a professor that would always say, the more you know, the more you know you don't know. And I guided my career in healthcare that way. And I found that to be even more true in real estate.

Because about every time you think you have seen it all, or you have it all figured out, something comes and makes you realize that you need to make sure that you are learning and keeping on top of stuff every day.

Stacey Brown Randall: Yeah, I think it's that, also that I think we have the same kind of feeling and sense every time we get older. Like every year we get older, we're like, oh wait, there's more I don't know.

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Melissa Herdman: Yes, but if you stop learning, you stop growing.

Stacey Brown Randall: Very true. Very true. Growth mindset is always going to be better than a fixed mindset. And I know you've kind of seen like the highs and lows of the market.

You've also seen some drastic changes kind of happening, I think even in the last year or so, just with like commission lawsuits and things like that. What would you say is one of the reasons why you feel like you have consistently and continue to be successful with your real estate practice?

Melissa Herdman: I've taken care of my people. You know, buyers, sellers, friends, family. I've just taken care of my people and been consistent.

Stacey Brown Randall: It's such a simple answer, right? But yet so many people fail to actually do it.

Melissa Herdman: Yeah. Sometimes people, you know, love on your people.

Stacey Brown Randall: Right. It's not hard, but you have to do it.

Melissa Herdman: Yes. You don't have to love on everybody but love on your people.

Stacey Brown Randall: You don't have to love on everybody. I love that, that's great, that's awesome.

Okay, so when you think about everything you've seen being an agent for as many years as you have been, you kind of figured out early on, long before I came on the scene and that you were connected with me, but you knew from early on that referrals was a critical part of being a real estate agent and how you were gonna grow your business.

Why are referrals so important to you? Like, what do they mean to you? Like, why do you spend time and energy to cultivate new referrals?

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Melissa Herdman: Because the main thing, and this is in your literature and your teachings also, but when you work with someone that's a referral, they already have some trust in you. You know, people aren't holding you at arm's length. They're not looking at you skeptically.

And when you give information, they know that you've researched it and you're a credible source. You're not just some stranger off the street that's got a pen in their hand saying sign here.

Stacey Brown Randall: Which some people do run their business like that.

Melissa Herdman: And they have 30 years of a first year every single time, because they're always starting over. Where when you have referrals and repeat clientele, it's just easier. And you actually get to the point where, if you're doing everything, you get to Friday or Saturday, whatever the last day of the work week is, and you think, gosh, that was just so much fun. It didn't even feel like work but look at what all was accomplished.

Stacey Brown Randall: Would you say when you get referred a new client that that client not always, we know this is not, this is never going to be 100% of the case, but the people that are referred to you that they are typically more in line with who you want as a client in your ideal client?

Melissa Herdman: Exactly, exactly. Because I feel like you attract, you know, like attracts like. And the buyers and sellers, the customers that you feel the most connected to are the people that are the most like you.

You know, it may be personality and it may be people that like that I nerd out doing their market study and look at all the numbers and what improvements would pay off, what wouldn't. You know, the people that kind of like to nerd out over the numbers or talk about vacations or birthday parties or grandkids.

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Stacey Brown Randall: Yeah. When you're having a conversation with other real estate agents, do you guys always have conversations regarding why referrals are so important?

Do you feel like other agents in your area that are in your market or that maybe you go to conferences and you guys have other conversations or when you're doing other networking with other agents, do you feel like there's a majority of them that have a focus on having a practice that runs so that they can be referable and then are also focused on generating referrals as well?

Melissa Herdman: I think that there's two different groups. I think there are people, when I go to conferences and travel and get to meeting people, that they're wanting to cultivate a relationship with someone that's like they are, so if somebody moves to that area, you can match people that would get along.

For example, I did send a referral recently and they contacted me and said, oh my gosh, it was like, just like working with you. You know, it was organized the same way. It was great. So you knew that was a successful match.

And then I think there are people that understand the importance of an agent-to-agent referral, but that often comes with a referral fee. And not everybody that's interested in making that outgoing referral is going to take the time and make sure that it's somebody that's going to take good care of who they're sending to New York or wherever.

And if you have the mindset that you want it to be a good experience, I think it's successful. If you just open the Yellow Pages and pick somebody, it doesn't feel right to the person being referred.

Stacey Brown Randall: Yeah, because they don't feel like they're getting you on the other end. And what you're referring to is something that's really specific in the real estate industry, is that when real estate agents refer to other agents, there is a commission, a percentage of the commission that

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comes back to the original agent who had the client and referred the client to another agent in another area.

And the client knows that there's a commission being paid, a portion or percentage of the commission being paid. They know that. There's documentation signed, like everything's done above board.

And so when, a lot of times when I talk about referrals with agents, that is like a focus that they have, right? They're like, I wanna make sure I'm getting more agent-to-agent referrals. And to your point, I think, like, as you said, they do fall into one of two buckets.

Like it's important who I refer you to that they behave like I would, or the other group that's like, I just want the fee, so I don't care who I refer them to, who's got availability to take them, take this client out that's going to end up in New York, right? And I'm over here in Kansas. I think that's two groups as well.

But how often do you feel like agents are thinking, are focused on referrals, not the agent-to-agent referrals, but the client referrals, the center of influence referrals? How much do you think, like when you're having conversations with our agents, they're focused on developing that part of their business, what strategy is and the right tactics and the things out and obviously not doing any of the ick factor, which I want us to talk about in a minute.

But how many times would you say you talk to agents, and they are really focused on those client referrals or centers of influence referrals and making sure they are building their business in that way?

Melissa Herdman: I think that there's a great majority that desire that type of business. I think that there are, now there's some people that I've had coffee with or talked to and we visited about it. And I think that they don't always understand what's involved with that.

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For example, well, you know, why don't I get any referrals? And, you know, do you have something that's referable?

Because yes, there are the people that you've worked with that would use you again. But you need to convert those to people that worked with you but want to make sure everybody that they come in contact with wants to work with you.

Stacey Brown Randall: Yes.

Melissa Herdman: And it's just, and once you hit you get that switch on, magic happens.

Stacey Brown Randall: Yeah. And I think that most agents probably know the magic exists because they see other agents like you that are having this success. And they're like, I want that switch to happen. I want that magic piece to happen where I'm getting referrals and it's more consistent and I'm able to have sustainable growth in my business with it.

But there's a lot of tactics. out there that not just agents, like any business owner is taught when it comes to generate referrals. And we were talking before we hit record on some of the icky ones, right?

Like for you in the real estate world, what are some of the big ones that you know are taught, but you will have nothing to do with because they just don't feel right in terms of a strategy to generate referrals?

Melissa Herdman: The email message that says, "If you know anybody that's looking to buy or sell real estate, I'll take your referral." Or the one that just made me was, "If you know somebody who wants to buy or sell real estate, reply to this email and give me their name and number." And that stuff to me is uncomfortable.

Stacey Brown Randall: Right.

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Melissa Herdman: I know that there are people that have been very successful with this, I would not be one of them because I would be very uncomfortable doing that.

Stacey Brown Randall: Yeah. And I would say, I think success needs to be defined. I have people who say, oh, I have that in my email signature, and it gets me referrals. And then when I actually have them dig into who's referring them, sometimes they're not actual referrals.

Sometimes they get a referral, but it's not to anyone who actually wants to have a conversation with them, which means that it's not a real potential client.

And I think that I find that people operate in the world of referrals when they're talking about, unless they really know, and they're just talking about referrals, they talk about their business on a surface level, and sometimes based on what they want to be having, not necessarily what's ultimately happening.

That's not everybody, of course, right? But like, there are a lot of people I have conversations with, and they're like, oh, I've got dozens and dozens of referral sources of people referring me. And I'm like, great. Show me the list.

And then they work through the process to create their list. And they're like, I'm lucky to have a dozen, let alone I definitely don't have dozens and dozens. And I think in this industry in particular, there's a couple of things at play with real estate agents when it comes to referrals.

And a couple of things that I think that are at play here is one, that there are some industry giants that teach asking, and being promotional and gimmicky like the email signature. And that's been what's been taught for decades and decades. So it kind of becomes commonplace.

Like, oh, if I want referrals, I have to ask because it's what I've been told as a real estate agent and all the agents who came before me have been told

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as well. So it's like this, it's the information that's been around forever, so it must work. It must be true.

But yet the people who do it, they're like, no, this is terrible. And it either doesn't work or they just know, like you, you're like, I'm not even going to try it. I know I'm not going to do that because that's not how I want to show up for business.

And then I think on the other side is, another thing that I think, I see this when I start working with a new agent, like an agent who's new to me, not new in the business, but new to me, is that their database is typically a mess.

Melissa Herdman: Right.

Stacey Brown Randall: Because a lot of times, and I don't know if this is based on the broker you're with, or if it's based on the training people have been through, or it's just based on you didn't know, but they all, like the ones where a database is a mess, I'm not saying every agent's database is a mess, but the ones where the database is a mess, a lot of times it's because they don't know how to categorize people in their database, so everybody just gets categorized as like a client. I'm like, a client's not a client unless you've made money on them.

Melissa Herdman: Right.

Stacey Brown Randall: That's how we define a client. And they're like, oh, no, like my neighbors are in there as clients, or people. I'm like, well, who's referred you? And they have no idea because they're not categorizing or tagging anything correctly.

And so I think we build up in our heads this idea of what referrals should look like in our business. But when we peel back all the layers, like we peel back through their mindset on referrals and we peel back the actual data on referrals, it's not always there. It's usually less than what someone was thinking it was for their business. Do you find that to be the case too?

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Melissa Herdman: Yes. Yes. And it was that way myself personally once I looked at it. And I was talking to somebody when we were doing business planning, and all of my business is repeat and referral. Well, is it? And then they saw that I had printed my list out and I had, you know, this was sphere of influence. This was open house. And once they did that, she was like, I had never looked at it that way. It really isn't.

Stacey Brown Randall: Yep. I think that keeping our database, I know there's obviously we have lots of listeners in lots of different industries that listen to this podcast every week, but for the agents in particular that are listening, I do think just taking if it takes a half a day, an hour, a full day, whatever, and getting your database in order, I think that's really key and really categorizing people for who they are in your database.

It's okay to have people categorize as prospects. And it's okay to have people categorize, oh, I met them through an open house. Like you said, it doesn't all have to be one category. I think that's really important. I find that when agents do that, like you said, with this person you were talking to, it was like her eyes were opened for the first time when she saw your list and your organization.

Melissa Herdman: Right. And it took me a while. For example, all of 2023, I was working on my database because it had gotten very unwieldy. And, you know, then you just have to put people and look at it and decide where they fit.

Stacey Brown Randall: Yep.

Melissa Herdman: Because it was getting too overwhelming. I didn't want to look at it. I didn't want to deal with it because when I opened it up, I knew it was just going to be a mess.

Stacey Brown Randall: Right. And I think that happens normally, right? Like, I mean, you have been an agent for over 10 years. You've probably had like, it's just time to clean up the database moments before. They're

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not every year, but they probably happen every couple of years. I think that's just normal.

Melissa Herdman: Right. So then after I did that this year, new leaf, when the home anniversary comes up for somebody, I'll have that list and then I can look at it and regroup. Or consider what, you know, because people move away, and then you just look and you think, okay, well, you know, their son-in-law has their license now, you know, or just kind of look at, you know, sometimes your customer themselves has gotten their license. You know, that's probably not going to be a top referral source.

Stacey Brown Randall: Probably not anymore. I remember when I got my license. I'm sure the real estate agent that helped me buy my condo when I was younger, and if they saw that I had gotten my license, they're probably like, okay, Stacey's probably not going to continue to refer me. She's probably going to be taking that business for herself.

Yeah, I mean, I think that it's just, it's that ability, like, and, you know, we talk about this and the BRB coaching program at the end of every year, I start beating the same drumbeat, right?

When we get on the weekly Q&A calls, or when I have milestone calls with folks, or even at a retreat that we do in person in December, I start beating the same drumbeat of like, we've got to get organized. We have to be able to look back to see how the year when we should have been doing quarterly tracking.

We've got to make sure that the referral sources that we have on our list from this year are going to go with us into the next year. And if not, it's okay to remove some people from that list like, it's a yearly thing we have to do as business owners.

It's like keeping anything else about our business life or financial life in order, sometimes things get out of control when things get really busy, but at least we have a baseline to come back to of how we organize and what it should look like so you know when you have eventually gotten back to

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that place, you know what you're looking for, you know what you're trying to accomplish, which I think is really important.

Melissa Herdman: Exactly. And your database. Regardless of industry, your database is going to depreciate a certain percentage each year. So it's always good to add new people and to bring new customers into your fold, while taking care of the ones that you have already served.

Stacey Brown Randall: So true. I think that's such a great way to think about it. Your database will depreciate a little bit every year, no matter what. And having a strategy or a process, really not so much a strategy, maybe just a process in place to know how you're going to tighten that up every year so that you're moving forward into the next year with the right information and the right people. And in our case, the right referral sources who should be able to refer you moving forward.

Stacey Brown Randall: Hey there, pardon the interruption. Aren't you loving this interview? Melissa and I would love for you to join us inside the coaching program, Building a Referable Business, or BRB for short. Go to StaceyBrownRandall.com/referable to learn about the program and click on the link to submit your application to find out if you are a fit for our coaching program. Now back to the episode.

Stacey Brown Randall: So I know that you found me through Ninja Selling, Larry Kendall wrote the book Ninja Selling and I know you've kind of worked with Matt as a Ninja Selling coach in the past and stuff or maybe you still do, and what I teach is a real strong compliment to Ninja Selling.

Melissa Herdman: Absolutely.

Stacey Brown Randall: Yeah. What I teach is not a compliment to every real estate training out there. In some cases, I am the contradiction to what other real estate training is being taught. But when it comes to Ninja Selling and Ninja Selling for Real Estate Agents, what I do is a real big compliment to that. Have you found that? I mean, I know you just said absolutely, but have you found that to be the case?

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Melissa Herdman: Absolutely. Yes. And that's why it was comfortable.

Stacey Brown Randall: Yeah.

Melissa Herdman: It was a comfortable fit and it helped me unlock something that I had skirted around for a long time, you know, it just, because I'm not going to ask people for referrals. It just is not comfortable. So this developed a process and coming from healthcare, I like processes and systems. It just makes me feel comfortable. That's what attracted me to the Ninja Selling Program, is because it's comfortable. It's structured. There's a process, but there's not scripts. I'm not going to be on the phone reading you these words.

Stacey Brown Randall: Right. Those are the worst. You know they're reading the script too, you can tell. Yeah, and I think that at the heart of Ninja Selling and at the heart of what I teach with Referrals Without Asking, the heart of both of those is the protection of the relationship that we have with the other person.

Whether that's a client, a referral source, a sphere of influence, whether it is a previous client, it doesn't matter, other agents, it's what we do, what we say, how we do it with the idea that we want to protect that relationship and treat that person with respect.

Melissa Herdman: And it's sincere.

Stacey Brown Randall: Right. Authentic.

Melissa Herdman: Transparent.

Stacey Brown Randall: Yeah, absolutely. Um, okay, cool. So I know people are probably listening and they're like, okay, can we talk about results? People always like to talk about the numbers.

So I went back into, you were great and sent me the last couple of years. And I was like, I'm going to see, I'm going to go back as far as I can with the work that we've done together and pull everything. And I found your

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original worksheet where you did your goal setting from your very first year. And I was like, oh, this stuff is like gold in terms of like what it looked like for you.

So you came into my world at the end of 2020. I actually think you like came into the program and it was like December 31st of 2020. So really 2021 was your first year with me. But when you did your results of 2020 and you looked back 2018, 2019, and 2020 of the referrals received, you were averaging around 15 to 16 referrals a year.

And you are what I like to refer to as an excellent student. An excellent client because you trusted the process and you did the work and then you got to have the results from it. And so in your first year is like averaging 2020 and earlier about 15, 16 referrals a year and your first year 2021 you got 40 referrals, which was amazing.

So that was more than, it's definitely more than, I think it's more than triple. I'm not gonna do the math in my head if I'm being honest. I know it's more than double. It's definitely more than triple. I don't think it's quadrupled. But so you more than tripled those results in your first year in 2021.

And then in 2022 you increased that again and you got 54 new client referrals in 2022 and then in last year in 2023, you did 56 new referrals as well. But you track something, so first of all, congratulations. I love seeing that growth over three years continuing to trend up and we've had some difficult market conditions, I would say, no matter where you are.

We've had some difficult market conditions with inflation and interest rates and supply over the last two years, if not maybe three years. So the fact that you're continuing to trend upwards in that type of market, I think is really important.

But you also track something that I find fascinating. And so I want to talk about that for a quick minute. So not only do you track, so I'm just going to look at 2022 and 2023. So not only do you track in 2022, you got 54

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referrals that came in, and then in 2023, you got 56 new referrals that came in.

In addition to that, separately, you also track the number of clients that come back to you as a repeat client that were originally referred to you, which I got to tell you, Melissa, I don't think most people actually track. And I think that's awesome.

Melissa Herdman: Well, it's fascinating to sometimes think, now how did I meet them? Well, and then how did I meet them? And how did I meet them?

Stacey Brown Randall: And yeah, I mean, I think that's like I sometimes refer to this as the web of our referral sources. Like, it's like you get a referral from someone today, but who they refer you to may be able to refer you more. Like, it's just, it continues to grow if we're tracking it and, because you may have said, you need to do a little database cleanup in 2023, I'm guessing your version of a database cleanup is not the typical database cleanup because I know how organized you are.

So this is what I love about this. So in 2022, 73.5, so let's just round up, 74% of your business was referral-based. And that came from 54 new clients referred to you and 34 clients that were coming back to work with you again who had been originally referred to you.

So when you add those together, we're talking about almost 90 people that either they were referred to you in the past, and then they came back to work with you again, or they were a brand new referred client to you. That's incredible.

Most people, well, I don't know, I don't want to say most people don't have that type of business. I don't think most people track to know if they have that kind of business from that perspective. And then last year, in 2023, you had 56 new client referrals and 31 repeat clients who came back to work with you again, who had been originally referred. And that puts your total at like 72% of your business, which is referral-based. Like, that's incredible.

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Melissa Herdman: And it's a lot easier than starting from scratch, 80% of the time.

Stacey Brown Randall: Yes, it's so true. I think that this goes to show that not only have you been excellent at making sure you are taking care of your referral sources, but doing something else that I talk about, which is having a referable client experience so that when someone's referred to you, the way you take care of them is so key that they are not only coming back to you over and over again, they become referral sources as well.

It's all like, it's like one big happy circle, like one big happy family from that perspective. Can you imagine what it would look like for you this year if this wasn't the reality that you had been building towards over the last couple of years?

Melissa Herdman: Well, it doesn't really matter because it's a new year and a new season and you know, things are constantly changing. So it's not like you get this built up and you sit back and you do nothing.

Stacey Brown Randall: You're being very pragmatic right now, which I appreciate.

Melissa Herdman: You know, I don't know what it would be like without it, but I am grateful that I have people to talk to or people that want to talk to me or people that if they want to do work on their house, they contact me and we can talk about what they're thinking they want to do and allow me to continue to be part of their world, which is a positive thing, because then you know that when they're thinking about their real estate, they're thinking about me.

Stacey Brown Randall: Yep. Anything to do with real estate, they're thinking about you.

Melissa Herdman: Yes. If they're, if they want a painter and they call me or, you know, because I was talking to somebody and they say, well, they bought their house six years ago. I don't know why they were, well, be

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thankful. I'm thankful every single time, even if it's something like county taxes that can be found on the public record, if they call me and want me to look that up, I'm happy to do that for them.

Stacey Brown Randall: Yeah, and I think it's a mindset shift. So like if other agents are listening or just business owners in general are listening, how you operate, how you think, the philosophy, the mindset that you operate from comes from a place of service because that's, and I know you well enough to know that that's just the way you do business is like, how do I take care of people?

But also understanding that there's a strategy behind it. And that strategy that comes behind it really allows you to be able to reap the benefits of how well you take care of your clients and how well you take care of your referral sources.

I know your plan, right, like you build it every year, right, the things you're going to do for your referral sources and the things you're going to do for your clients, depending on what stage that they are in within that client experience and how when a client calls you, you're going to make time to make yourself available to them.

It's a mindset shift. I mean, I don't think people, I think people who don't operate from that mindset see it as more work to do.

But for you, it's a mindset of like, of course, I'm going to take that phone call and help that past client because I know that's one more thing that's going to put me into the forefront of that client's mind when it comes time to they have a neighbor who wants to sell or they have somebody new moving into town or they need to buy or sell themselves, that you're there.

And I really think that a lot of people think about that's a lot of work versus your mindset, which is, I'm here to serve. And I know by doing that, it benefits me with repeat clients and referrals.

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Melissa Herdman: Yes. And even if it doesn't, sometimes you just need to care about other people.

Stacey Brown Randall: Very true.

Melissa Herdman: Even if they list with their neighbor, you know, if you help them, it's okay. You'll get paid back. Somebody may help you when you have nothing to, to give in return.

Stacey Brown Randall: Yeah. I had somebody ask me, it was actually, it was an agent who was out on the West Coast, and he was asking questions about referrals. And he had gone through one of my smaller programs, Saving Lost Referrals. And he was like, this may be a crazy question, but I'm just curious, do you believe that if like me being more intentional about giving other people referrals, that it'll come back around and help me generate more referrals?

And I'm like, yes, I truly believe what we put out there in the world. I mean, I think you should have strategies and processes and tactics and language and all the things I teach, right? But like, I truly believe that if you are helping others and putting it out there in the world, it absolutely comes back around to help you.

Probably not always in the way you anticipate or the way that you expect, but it absolutely comes back around. And even if it didn't, at the end of the day, it's just the right, good thing to do.

Melissa Herdman: Right. If you know somebody that's a good hairdresser and somebody's looking for one, you don't need to worry about whose client they really are. You need to send that person there.

Stacey Brown Randall: Right, so true. Okay, so knowing kind of how last year ended up for you and the year before that and looking forward to 2024, do you have a goal for how many referrals that you want to receive this year? These are the new referrals that would be sent to you.

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Melissa Herdman: Well, honestly, I'm really good where I am. And if that all stayed the same, I would be completely happy. Because there comes a point where you can't double things or you can't triple things because you can't do a good job.

Stacey Brown Randall: I love you saying that because I think it's your understanding how you define enough and what enough is that supports the life that you want while still allowing you to have a life.

Melissa Herdman: Exactly. You know, maybe five more, 10 more, that'd be great. If I can take good care of them.

Stacey Brown Randall: Right.

Melissa Herdman: I had, you know, we've all had times where we've been too busy and there's probably been, you know, a handful of people that did not get the service that they should have because there were too many things going on. And I don't like that. Because you don't feel good if you can't do your best.

Stacey Brown Randall: Yeah. And I know a lot of people would be like, well, you can solve that by scaling. But I think that, and scaling by adding people or adding more automation or more processes. But I think that the number one thing that's our obligation to do as a business owner, is to decide how we want to show up for our clients. and then build our practice around that and stop worrying about comparing ourselves to anybody else who's building something different.

Just as long as you're building a business that supports you the way you want it to, but also supports you having a life and you enjoy your business and you want to go to work and do what you do, right? It's so much more important than trying to have the biggest real estate practice in the city.

I think that one of the best things that you can be able to define is knowing that sometimes it's okay to want more. Sometimes it's okay to want less,

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but you have to be able to define what is enough for you. And I love that you've done that.

Melissa Herdman: Yes, and yes, of course I will be happy. I will take care of people, but I can't say I want twice what I had last year because I would not do a good job or I would drive myself crazy and that's not a good thing either.

Stacey Brown Randall: Right. That's so true. Well, so then it looks like in the fifties, right? That's where you want to be for new referrals. And I love that. I have an attorney that I work with who's in the same kind of place. So like once she hit like over 80 referrals one year, she was like, I don't need more than that ever again.

She was like the 70 to 80 range for me is perfect. That's ultimately where I want to be. And I think recognizing that's really important. It's for me too. Like when I started, generating referrals for myself, like way back like 10 plus years ago, and that first year, I got 112 referrals.

And then I kept that triple digit kind of going year after year, eventually, I got to the point where I'm like, my business model has changed, I don't need that many referrals. Because even if I did close all of them, I certainly can't work with all of them in a way that I want to. And so I think that that reassessing of our goals every year is important to kind of know what it looks like for us in our business.

Melissa Herdman: And I've looked at scaling and I'm fortunate here, we're a full-service brokerage. So we do have a closing officer. There are people that can help me do some of the tasks, but I have learned that I like to be forward facing with people.

And by being here, I can spend more time doing that, even if it's just chatting with people at the grocery store instead of doing paperwork. I like to do the home showings, I like to get the listings ready for sale, I like to do those things. I tried having an assistant, I felt like I was disconnected from the people.

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Stacey Brown Randall: Right. I think recognizing how you want to run your business in a way that works for you is one of the most mature things that we get to do.

Melissa Herdman: Yes, exactly.

Stacey Brown Randall: As a business owner, and it's one of the hardest. And people tell me all the time, like, Stacey, you should have somebody else running your weekly Q&A calls. Like, anybody can answer questions once you've taught them. I'm like, but then when would I talk to anybody? When would I be around my clients? When would I be around my people?

Some of these clients I've had, like you, we're going into year four together. Others I've had for like eight or nine years. I'm like, are you kidding? No, I am not interested in like not having these conversations and not knowing what's going on with people's lives. So oh my gosh, most definitely. I love that.

So okay, final question. If you were having a conversation with another agent or another business owner and they were considering joining one of my programs or the coaching program, Building a Referable Business, that you're in, what would you tell them would be a reason or why they should join and consider working with me?

Melissa Herdman: I think the main thing is it gives them a structure and it gives them someone to throw some ideas off of. Maybe it's language, or maybe it's, I'd like to do this, or maybe the ability to feel comfortable getting testimonials, or creating a client experience that they enjoy doing, but that it's memorable for the client.

Just a process. I think there's a lot of people who are two steps away from greatness in many different fields, but they don't have the process or the organization. There's just that missing piece that will unlock everything.

Stacey Brown Randall: That is a great way for us to end. You're right. A step or two away of greatness. You just need the process or the what to do

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or the person to help hold you accountable. That's awesome. Melissa, thank you so much for taking time to be on the podcast today. I really appreciate it.

Melissa Herdman: Well, thank you for having me.

Stacey Brown Randall: Let's give a big round of applause for Melissa for sharing her amazing results over the last three years. Going from averaging 16 referrals in a year, that's her three-year average, to 40 referrals in year one, 54 referrals in year two, and 56 referrals in year three.

She definitely tripled her referrals in that first year and then has kept that growth going and increased it. And of course, I hope you heard the part where she talked about not only are those the new referrals that she received, but then of her repeat clients that came back to her that were from referrals as well.

I mean, we're talking about over 80 deals a year just from repeat clients from referrals and referrals. And I know she had other deals that she did from folks who just are part of her network and wanted to work with her. And then, of course, those that were repeat clients but weren't originally referred.

She is crushing it, and I'm so, so happy for her. And I'm so pleased that I get to work with her inside the coaching program, BRB, Building a Referable Business.

All right, the resources mentioned in this episode, including how you can connect with Melissa if you are interested, and of course, a link to the Miro board, if you want to check that mind mapping tool out, can be found on the show notes page at StaceyBrownRandall.com/298.

We're back with another great episode next week created with you and your needs in mind. Until then, you know what to do, my friend. Take control of your referrals and build a referable business. Bye for now.

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