

Chapter 8: Referral Strategy

Building a Referral Engine from Day One

Referrals are the highest-converting lead source in insurance. A referred prospect is 4x more likely to buy than a cold lead. Start building your referral engine from your very first client.¹³

Ask Every Satisfied Client

The best time to ask for referrals is right after a client has been approved and their policy is in place. They're excited, relieved, and grateful. Here's a simple script:

REFERRAL SCRIPT

"[Client Name], I'm so glad we were able to get you covered! My business grows through people like you sharing their experience with friends and family. Do you know 2-3 people who might benefit from the same protection? I'd love to help them the same way I helped you."

Referral Incentive Ideas

Show appreciation for every referral, regardless of whether it converts:

- Handwritten thank-you card (personal touch goes a long way)
- Annual "client appreciation" event for your top referrers
- Social media shout-outs (with their permission)

Strategic Referral Partnerships

Create formal reciprocal referral agreements with complementary professionals:

- Mortgage brokers refer homebuyers to you; you refer clients who need mortgages to them
 - Financial planners refer clients needing life coverage; you refer clients needing investment advice
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- Real estate agents include your information in their closing packets; you recommend them to your clients

Document these agreements and track referrals in both directions to ensure the relationship is mutually beneficial.

Building Your Agent Team

As you grow your business and build expertise, consider recruiting other licensed agents to join your team. Building a team multiplies your impact and creates additional earning potential. Talk to leadership about the team-building framework and mentorship structure available to you.

PRO TIP

Many successful agents start building their team within 60-90 days. The mentorship you provide helps new agents succeed, and a growing team strengthens The Policy Shop as a whole. Reach out to leadership when you are ready to start recruiting.