



3 Networking Mindset Mistakes That Are Costing You Referrals

According to a study completed at St. Thomas University, members of a typical networking group will range from 20 to 60 with two thirds being over 40 years old. It's not surprising that the seasoned pros recognize the benefits of networking to give them the edge in the marketplace.

The benefits of a good networking strategy help you to form mutually beneficial relationships, develop new connections with a sizeable number of people, and connect you with resources and others who can help your business. It's a common misperception that simply attending a networking event brings new business the next day. Expecting to land business the first time you meet someone is like asking someone to marry you on the first date. Critical to any good networking strategy is to adopt the right networking mindset.

Mistake #1: If I give referrals, I'll immediately get referrals.

Many inexperienced networkers have a misperception about the principle of reciprocity. According to Weber's Dictionary, reciprocity is "a mutual or cooperative interchange of favors or privileges," This leads inexperienced networkers to believe giving referrals will bring an *immediate* return for any referrals they give to another.

One strategy to remember while adopting the principle of reciprocity mindset: focus on the other person. The act of giving is the most important part of this mindset. Networking isn't about what you can sell or get, it's about what you can learn about others and what you can give to them. Learn how you can help the other person.

At an informal networking lunch, I helped a colleague make a difficult decision. I just listened to her thoughts on her business, provided some advice (that she asked for) and she made a huge shift resulting in a significant increase in not only revenue for her business but in how she could have her purpose lived out more fully. There was no expectation in return. It was just a genuine concern for her success. But something happened months later, she referred me to an organization who hired me for a big speaking engagement.

The next time you're networking, actively seek out avenues to help other people. Volunteer to help out someone in your network or offer support in a time of need. The next time you meet someone, think to yourself, "Who could I connect them with?" These simple steps will bring benefits to your business in ways that will positively affect your business relationships for the long term. You will also be known as a trusted resource to which people refer others.



Mistake #2: It's My Territory and You Can't Have It

Many new entrepreneurs find themselves attending events, meeting new contacts, accumulating business cards, and providing referrals. One day you feel discouraged because you've put out all that energy giving referrals but you received nothing in return. Further, you're a bit cold to someone you perceive as your competitor.

But savvy entrepreneurs adopting an abundance mindset realize there's enough business to go around. The next time you're networking, consider approaching someone you think is a competitor. Explore the possibilities of referring business to them.

But first, be very clear about your own offerings so you know exactly what kind of client or customer you want to work with (and the ones you don't). Second, you very well may find that they offer a service or product you don't and vice versa offering each other cross referrals.

You might find they prefer to work with the clients you don't so you can refer those people to them, realizing the abundance mindset in action.

Mistake #3: I don't have time to follow up

It is important to systematize your referral marketing so you devote time to building and maintaining solid professional relationships – a key in successful referral networking. Many entrepreneurs have heard of financial capital. Networking is your social capital that has a profound impact on your financial capital. According to "Networking Like a Pro" by Ivan Misner, PhD, David Alexander and Brian Hilliard, "social capital is the accumulation of resources developed in the course of social interactions, especially through personal and professional networks. These resources include ideas, knowledge, information, opportunities, contacts, and, of course, referrals. They also include trust, confidence, friendship, good deeds, and goodwill."

Your social capital is created by design, not by luck. Seasoned networkers realize that social capital is acquired through focused networking and developing a strategy that's brings the strongest return. To build your social capital, consider these simple steps to get started that have a high perceived value with your networks and only take a minute to implement:

- Write a short thank you note to those people who referred business to you. It's often forgotten, but a highly-regarded gesture that is sure to leave a good impression.
- Call the people you referred business to. Ask them how the referral worked out and if not, how the referral could be better in the future. They'll appreciate your concern for giving solid referrals.
- Send an article that someone can use in their marketing. One of my connections worked with large corporations and just launched her book. I read an online article that was a spot-on match



for her to use in her marketing and relevant to her new book's content. It only took a second, but the thank you note I received from her expressed genuine gratefulness and a time-saving marketing idea for her to implement right away.

- Put together a list of strategic partners you'd like to stay in touch with this year, including those people who have given you business in the last 8-12 months. Keep notes of their birthday and send out a card each year on their special day.

Once you establish a solid reputation as someone who cares about other people's success and consistently nurture your referral networks, you will have a strong line of people singing your praises and multiply your results many times over.