

Enhance Your Site Referral With Incentives

By Peter Porzuczek

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What is site referral?

If you own or operate a Website chances are you're providing a site referral link as one of your services. If not, you should strongly consider it as one of your site promotion tools. Site referral is a service most sites offer as a means of allowing their users to refer their Website to friends, co-workers and family.

Although site referral won't bring you a ton of traffic, the traffic that it does bring to your site is guaranteed to be of the highest quality; users who are already interested in what your site already offers. Site referral is one good way for you to promote your Website. Why? For several reasons: site referral is inexpensive (free to just a few cents per day), works for you 24 hours a day 7 days a week, and uses your best resource, your current user base, to tell others with similar interests about your site.

There is no better promotion a site can get then to have one of its existing users refer that site to another user. For one, users refer sites to friends who they know already have an interest in the content that is offered. Referral recipients also tend to trust people they already know, more so then a promotional advertisement they receive from an unknown source. The cost of site referral is much less then the cost of other promotional methods relative to the type of traffic it helps bring to your site. The greatest benefit to any site comes from word of mouth referral by existing users to people they know. As it's been said many times before, there is no better advertising then word of mouth. This is as true on the Internet as it is in the brick and mortar world.

The purpose of this article is to take a basic site referral service, and explain how to combine it with an incentive program in order to enhance the site referrals effectiveness.

How does basic site referral work?

Site referral works by providing a way for your visitors and users to promote your site to people they already know. A site owner/operator places a referral link on their site which when clicked, redirects the user to the actual site referral page. This page can be a popup window, another page on your site or a page on another site if you're using a free service. The site referral page allows the user to enter their email address, their name and the email addresses of friends to whom they'd like to refer the site to. The site referral service then sends an email to each email address provided, and invites the recipient to come and visit the referred Website. Traditionally, this method of referral works very

well, and assures that those referred to your site are of the highest caliber of visitors. They are the visitors you want to come to your site, because they have the best likelihood of being interested in the type of content your site offers.

Extending basic site referral to include incentives.

Most sites provide a basic site referral service at a minimum, and if they don't they should consider it strongly for reasons outlined earlier. However, even a site referral link is not enough to generate a large amount of traffic. Site referral is best at bringing in a few highly interested users, rather than a lot of users who may or may not have any interest in what you are offering. Site referral should be used in conjunction with other marketing and promotional means so you cover all the bases when it comes to promoting your site.

To improve the performance of site referral, this article focuses on taking the basic features of site referral and adding an incentive to increase the effectiveness of the service. Basic site referral works well, but we can improve it to a degree. A site must get a user to refer that site before any traffic at all can be generated. To do this, one must somehow get users to click on the site referral link in the first place. If you have a great site that really excites its users, this isn't a great problem because users will take the initiative to send their friends to that site. However, if your site is one of many offering similar content, your users may not find it "special" or "unique" enough to provide the referral. Extending the basic site referral model to include the use of incentives can solve this problem. Incentives are a great way to enhance the possibility that an existing user will refer the site, if for no other reason than to get the incentive reward for having done a referral.

This can be easily done, but it does require some support from the referral system itself. Here's how an enhanced site referral promotion would work. Instead of just providing a link to your site referral service, you change the link to compel the user to click on it by offering a reward of some sort. This could be a free eBook, or an entry into some type of award program, or free service. Really, any type of incentive will work as long as there is some type of perceived value in the incentive that compels a user to click on the link.

As an example, most sites have a link somewhere on the page that might say: "Refer this site to a friend". This link could be changed to read: "Refer this site and win a \$50.00 gift certificate". This simple change in the link text will certainly make a user or visitor strongly consider referring your site! It does not end there however. Your referral code must provide some type of support for the incentive. One possibility would be to send the user to a page where they can sign up for the incentive program, then redirect them to the actual referral code. This is not a good option since it leaves the door open to users signing up for the incentive without the guarantee that they actually send a referral. The best way to do it is to have the incentive signup come AFTER the referral has occurred. This implies that the referral page must be able to link back to the incentive page once the referral has been sent.

Some services provide this type of functionality, and others do not. If you can code your own referral service, then you'll have no problem setting this up for yourself. Some services actually do provide a "built-in" incentive program, although the incentive is generally outside your control. Pay services are generally better at providing you the greatest degree of control, although these services vary in price and functionality. My usual rule of thumb is to ask myself, "What am I giving up by going with a free service, versus what do I gain by paying for a service." If free works, I go with it, if free doesn't give me many options, I'd rather pay a small amount to get what I want. One or two quality referrals generally cover any cost associated with the service.

So what goes on the incentive page?

That really depends on what the incentive is. If your incentive were a free eBook, then the incentive page would simply allow the user to download the eBook. If your incentive is a gift certificate, then your incentive page might ask for an e-mail address that you'd save off into your database, to be used later when the gift certificate is actually made out for that user. It's important to remember that you should be clear in informing the user that they are opting into your incentive program, so there are no surprises later on. It's important that you don't mislead your users. You will end up hurting your Website in the long run, and even give your users an excuse NOT to refer your Website, or worse yet, a negative referral telling friends NOT to visit your Website. Remember, the goal is to increase your traffic with the best possible quality of visitor - one who is interested in your content right from the start. Treat your users fairly, and they will reward you by telling others about your site.

Is there more you can do to improve your referral system?

Well, actually yes. We've only covered half of what we can do to improve your referral system. So far, I've shown you that a couple of simple changes can improve the chances of your existing users sending a referral to their friends. The other half of the equation works from the other direction, that is, from the "friends" side once they get a referral to your site. Referrals are usually sent to people by sending them an email containing a link back to your site, along with an invitation asking them to come visit. Most referral systems end there, but you can actually improve the chances of the person getting the referral coming to your site by providing an incentive for them to come and visit your site. This involves adding a "visit incentive" to the referral email. Again, this depends on how much control you have over your incentive program and the referral email that is sent. The way it works is that you add some additional text to the email telling the recipient that they can receive a free gift or some other incentive for visiting your site. The end result is that the recipient now also has an incentive to visit your site, thereby increasing the odds of a visit, and increasing the odds that the recipient will become a user who refers your site to more people. By doing so, you are enabling the "viral" aspect of your referral system, and increasing the chances of increasing your site traffic tremendously with quality traffic.

To sum things up...

There are three basic approaches to a site referral system; The basic approach which allows the user to send a referral, the front end incentive approach which allows the user to send a referral, and rewards that user for their referral via an incentive program, and a combination of user and recipient incentives that provide your site user with an incentive to send a referral, and provides the recipient an incentive to follow up on the referral and come visit your site.

If you haven't looked into updating your site referral program to take advantage of the options I've outlined above, take some time, and see what you can do to enable your referral program to use an incentive program. Doing so will only help your site, and give you and leg up on your competition.

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