Internal Referrals:

How to Find Your Next Deal Without Leaving Your Desk

A Sansan white paper for businesses of all sizes

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Introduction

In business, we meet lots of people and make many new connections. A business card is often how we cement that new connection.

Sadly, most business card and contact exchanges don't in fact lead to business. One report found 88% of business cards[1] get thrown away in less than a week.

When this happens, the minutes, hours, and even months leading to two people meeting and connecting have been wasted. That's not only sad... ***That's like throwing money away.***

Those cards could have turned into deals for you or for your colleagues. So why do we give up on them so quickly?

Maybe technology has made us more transactional, and decreased the value and energy we put toward each individual. If we don't see immediate value, we tend to move on.

But technology is also how we can turn these one-to-one interactions into profitable outcomes.

Do you know how?

The answer is in **centralizing and sharing contacts** for **internal referrals**. The tech is your CRM, contact management system (CMS), and the power of integration. The outcome is cooperation, efficiency, and innovation.

There are three main premises to accomplish this:

1. Centralize contact data and make it accessible organization-wide.
2. Continually get contacts into that central system.
3. Create a culture of sharing and cooperation to ensure the leads keep flowing in.

This report will:

- Show you how to maximize new contacts and the potential they represent (you'll never throw away another business card).
- Explain why repositioning contact management at the center creates essentially limitless sales and networking possibilities.
- Give you ideas to make your company a more cooperative and productive workplace, whether physical or remote

Your staff will be actively contributing on a daily basis, as part of the team, and they'll receive and enjoy both financial and personal benefits.

If this proposition excites you, or just intrigues you, **read on**.

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Contents

The Goal: Finding Leads and Deals in Your Company

All companies sell, in one way or the other. Your company sells. If it doesn't, you're in trouble! To sell, you need leads. And typically, you think of getting them at trade shows, through customer referrals, and even by picking up the phone and cold-calling.

Wouldn't all of these actions be much easier and less stressful if you could get a warm introduction? Maybe that's easier said than done, but it really is pretty easy once you get your head around it.

Think of it... they say anyone is six degrees of separation from anyone else.[2]

So that means in the workplace we're often down to **one or two degrees away** from knowing someone who someone else knows.

Think of LinkedIn. The average LinkedIn user has 400 connections, according to one study.[3]

So if everyone in your company has 400 connections, you're a single degree of separation from them. That amounts to 400 connections × the number of coworkers. If it's a company of 10 including you, that's 3,600 potential prospects for every person. 100? That's 36,000 prospects! (Obviously this is a best-case scenario, and there will be overlap and lapsed contacts, but you get the idea.)

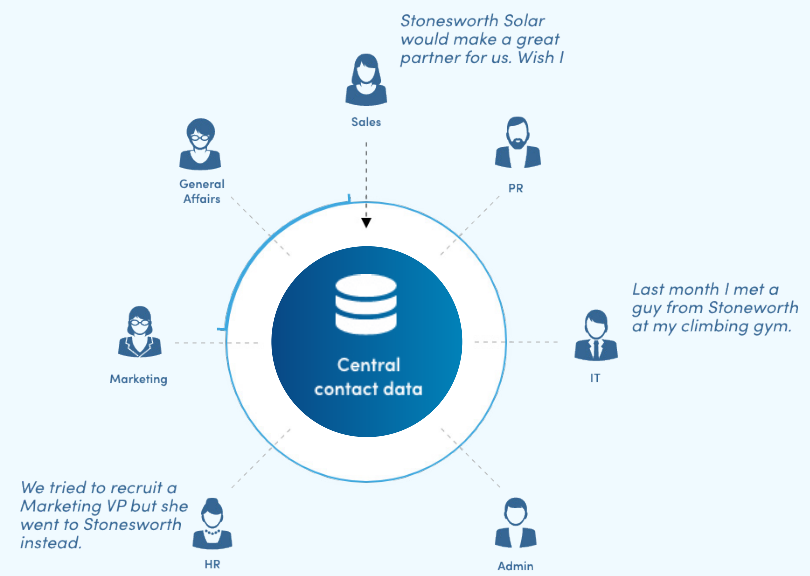
The same analogy can be used for business cards and contacts. And the number is much higher when we stop misplacing them, hiding them away, or throwing them out!

But can you find out who's connected to whom? Can you know who met who, and where? In most cases, we don't go around announcing these things. So without some sort of tool, there's really no way to know.

What if you could find these connections, such as someone in a target company or someone who knows someone? And what if you could find out more about that person's needs and preferences?

You could not only get that warm introduction, you'd know all sorts of things about your new contact the first time you got in touch with them. Your deal would start with momentum, insight, and a deeper level of personalization.

Different Teams, Centralized Contacts



And this isn't just about the customer-facing departments like Sales and Customer Success. In fact, IT, admin, all back-office staff also have contact with prospects. Naturally, business owners and the C-suite have tons of connections, too.

Each of these valuable human relations can open other doors and create new connections, if only someone other than the owner knew about them.

The challenge is finding out: **Who knows who?**

The thing is, you **can** build those very bridges to new connections and to new deals. It takes some planning, cooperation, and a great tool or two. It's very doable. Here's what you do.

1. Centralize Your Company Data

Why

"A business can't be agile and siloed at the same time." says a Gallup report.[4] In non-corporate-speak: If you're not working together with everyone else, you can't get much done.

Yet that same Gallup report found only about **1/3 of Western companies openly shared data and knowledge**, and only **1/4 of the respondents thought departments in their company cooperated well with each other**.

Prime culprits in these silos and divisions are problems with knowledge-hoarding, misalignment, and **lack of centralization**.

That's not news to us at Sansan. We've been busting silos for over a decade. A cooperative culture must be transparent and it must centralize its knowledge and data. And if you're going to really commit to it – **start with contacts, the connections among them, and their inherent revenue-generating value**.

While cooperative work culture gets lots of press, little is written on centralized contacts and on contact sharing. Naturally, businesspeople, sales in particular, want to guard their contacts. While that's understandable, it's short-sighted and limiting the company.

The practice of centralizing contacts is not uncommon in group-minded (collectivist) cultures, such as in Japan, where we're based. But it's still something of a secret elsewhere. Those who find this secret uncover hidden value.

If you rethink it as sharing customer data in the company, it's easier to swallow. Why? Because you're probably already doing it.

Where

To share contacts and internal referrals, there must be a centralized and highly secure place for the customer data.

Three letters to the rescue: CRM (customer relationship management software).

CRMs are nearly ubiquitous in modern companies: 91% of businesses with 11+ employees use a CRM.[5]

Salesforce is the industry leader, and numerous other solutions in many styles and sizes include HubSpot, Zoho CRM, Pipedrive CRM, and Microsoft Dynamics 365.

Ideally, your company's CRM was introduced in consultation with the users, because that's a great chance to lay the groundwork for cooperation, as well as shared ownership.

CRMs are a central warehouse of accounts, leads, and contacts in a company. Many standalone CRMs, however, are limited. They often need extensions, integrations, and enhancements to get them to do what you want.

CRMs' basic features and benefits are:

- Customer contact and history
- Email and phone integration
- Sales team and customer opportunity management
- Lead management for differentiating lead quality
- Reports and dashboards
- Sales force automation
- Sales analytics
- Workflow and approvals
- Territory management
- File syncing, saving, sharing
- Call center integration
- And on and on and on; in fact they're sort of famous for having lots of things many people never need

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How

CRMs are great for centralizing contacts because they already have many contacts in them. But there are four key limitations here:

1. Data accuracy is a continual problem since many contacts are imported through spreadsheets, which in turn were manually entered.
2. Alternatively, the CRM may be integrated with a third-party automation tool that can leave fields . empty.
3. These are primarily leads or contacts you hope to turn into leads. They usually sit there and go dead if no deal happens.
4. And this may be the biggest: There's no space for all the other connections, which, even if they're not done with immediate business in mind, are all prospects. **These include:**

   - Indirect business connections (networking events, meetings; i.e., non-leads)
   - Employment recruits and job applicants
   - Social encounters (volunteering, interest groups, etc.)
   - Random encounters (airport, bar, supermarket, etc.)

Every single human encounter can lead to business – if not for the contact owner then for someone else who's connected.

But the thing is, those "other" encounters don't make it to the CRM, as no one gets around to inputting them.

A good CMS (contact management system; not to be confused with content management systems like WordPress) is invaluable here, and distinct from the CRM.

A comprehensive CMS that's designed for all contacts can fill this hole in your CRM. It lets you digitize all contacts so they can be merged with CRM data. Or it can stand alone as a source of all contacts in a company.

Not only that, it can visualize connections, so you see who knows who. And it can eliminate duplicate accounts. A modern, intelligent CMS gives the company centralized, cloud-based, up-to-date contact data of all types of business contact. It's like jet fuel for your CRM, like adding an extra floor to your house.

CRMs and CMS's are nearly all cloud-based for security, centralization, and proper admin control. If yours isn't, it's advisable to move to a modern platform. Then your infrastructure is all set.

Now you have to make sure your system is equipped to churn out leads.

CMS's vary widely from simple apps to ones that cross over into integrated CRM-like systems (like Sansan). The most common functions and benefits are:

- Contact list in a collective database
- Search functionality
- Customizable tags, groups, fields
- Phone integration so you can call straight from the contact file
- Email integration, often with activity tracking
- Mobile access via phone or other devices (tablets, etc.)
- Connection to external accounts such as SNS
- Reports and dashboards
- Advanced features such as business card scanning, lead opportunity management, and internal messaging

2. Enable a Continued Supply of New Contacts

Why

A CRM and a CMS are only as good as their data. And the data's only as good as how it's used. The database needs a continued flow of new contacts input by the users. This creates incrementally more potential links and keeps data fresh.

How

Leads and contacts come from many places. The first are face-to-face encounters, and these are the most valuable because you've made a connection. When you swap business cards, you enter into an unspoken consent to do business.

There are also connections on social media, from trade shows, and even casual non-business encounters. They can be in digital format or on paper, and they can contain as little as an email address.

Business cards are the most useful format for all of these, because they're small, precise, and highly accurate. After all, what good is a business card if it has typos? Business cards can also be scanned straight to the CRM or CMS. Your admin tasked with entering them into an Excel sheet will be overjoyed to learn that.

Do an initial roundup. Tell your company you're going to be scanning contacts into a central system, so everyone needs to start digging them out. People keep business cards in desks, binders, even Rolodexes. Yes, Rolodexes. You can even gamify the process, giving small incentives and rewarding those who contribute the most.

Mandate CRM/CMS use for entering contacts if you must, but be sure to make the benefits clear. It's so much easier to get buy-in when staff are shown the benefits, rather than just told to do something.

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To be clear, staff **don't need to share every contact they've ever acquired** (as wonderful as that would be). Their LinkedIn is theirs. Their iPhone address book is theirs. But they do need to share contacts they acquire in the course of their work in the company. Those are, in essence, company assets.

The main methods of entering contacts into a CRM are:

1. Manual data entry, typing it in

Amazingly, in this era when we can ask our iPhone for advice, we're still at the keyboard typing in business card contacts like it's 1986. Salespeople spend 17% of their time[6] on tedious data entry, either to spreadsheets (and then to the CRM) or directly into the CRM, when they could be selling. The need for manual entry remains a common complaint about CRMs, and it's a limitation in centralized contacts for simpler CRMs. It doesn't have to be that way.

2. Integration/synchronization (syncing)

Integrations on places like Salesforce AppExchange and HubSpot Marketplace are specific for one CRM and they work like plugins. They link the CRM with a specific service, like Outlook or Google Contacts. Third-party services like Zapier cleverly offer custom integrations that only need basic tech skills.

3. Scanning

Optical character recognition (OCR) has come a long way from its early days of hit-or-miss scans. And the better scanning apps add AI and human input for high accuracy. So if you acquire business cards on a regular basis, you've already got a solid, highly accurate foundation for your contact database.

Imagine if you could simply scan in contacts, get highly accurate data, and go to work on a deal. Or you could merge this data with Salesforce other data for a complete customer profile. It's a great start simply for making deals. It's also a great start for building your internal referral network. And you can do it with just a little time and investment.

Now all you need to do is get everyone on-board with the system. Make it part of your corporate culture.

3. Create and Maintain a Culture of Sharing and Cooperation

Why

A survey of 100 top U.S. corporations found that employees' trust in management has a direct and positive correlation with productivity and profits.[7]

Companies built on cooperative and sharing cultures typically have a more democratic corporate structure, and they see greater efficiency as they thrive on trust and teamwork.

But you can't just tell everyone: "Start sharing!" **There must be clear benefits.**

In other words, the cost of cooperating must be less than the benefit. Ample scientific evidence proves employees voluntarily cooperate when they see what they get out of the deal.[8]

Sales and marketing are areas where the benefits of sharing contacts and working cooperatively are crystal clear. When expenses on buying leads, attending trade shows, and cold calling can all be reduced, sales and marketing take notice.

Sharing contacts allows prospecting to start in the company, rather than outside of it.

These **internal referrals** are a secret operational weapon of cooperative companies.

For sales, you browse your company's contacts, find a target prospect, or someone a degree away, and ask the contact's owner for an introduction. For marketing, you browse your company's contacts and compile target lists for campaigns, then bulk mail them or contact them individually.

With this internal referral system, coworkers from different departments collaborate when otherwise they would've been off in their own sections and branches. These positive relations are scientifically proven[9] to boost morale and prevent stress.

Salespeople rate work culture as more important than money[10] and 54% of them find their job stressful.[11] Creating a culture that supports them, and to which they can contribute, can go a long way to keeping your stat hunters and driving your bottom line.

You need to get this internal referral system in place, with everyone pitching in and getting even more back.

How

Getting people to think beyond their own needs and see the bigger picture is where it starts. No, it's not always easy, and the sales hunters can be the hardest to rope in. They are lightning-focused on closing the deal. But when it comes to sales, Salesforce knows best:

> *"Salespeople need to lay aside their egos and find ways to work smartly together, harnessing their strengths in a complementary way for the good of the whole team."* [12]

Salespeople, in fact, stand the most to gain when they can access the company's hidden network, though all departments can benefit. Find recommended vendors, seek out event participants, identify team members for a new project, pursue any opportunity that requires an intro or contact to get the ball rolling.

In getting staff moving toward a culture of cooperation and internal referrals, objections are likely. These are normally based on fears such as:

- Fear of being "found out" for the work you're doing
- Fear of someone stealing your contacts

Accepting and overcoming these fears is pivotal in regular contact sharing. When they're ignored is when people go back to their own Gmail contact list, iPhone address book, Rolodex, etc.

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Emphasizing the benefits is the most compelling way to shift how staff think about their contacts and internal communications. **Start with sharing an understanding of the points on the next page.**

The approach is especially valuable in complex deals, deals in danger of being lost, and deals where the rep lacks specific knowledge. Go it alone and there may be no sale at all. Work on it together and everyone wins.

Even with such benefits, there can be pushback, and moving to this system may require a (gentle) mandate. It helps to explain that, in addition to benefits, implementation can be done in stages and privacy is maintained.

A good central CRM and/or CMS like Sansan includes coordinating functions, such as sharing notes and tracking deals. Users "own" their contacts and levels of privacy can be assigned.

Sharing internal referrals and working cooperatively is a healthy and profitable way to work and to make deals. Technology makes it possible.

The Tool to Do It

This is where we come in. Sansan is a business card-based CMS that can function as a standalone CRM or integrate with Salesforce and others.

Starting with the business cards acquired in the company, the Sansan system lets you scan in contacts and build a proprietary cloud database that keeps growing the more contacts users add.

With contacts centralized, you see who knows who. Then when you need a prospect or other connection, you start your search **in** your company. For free!

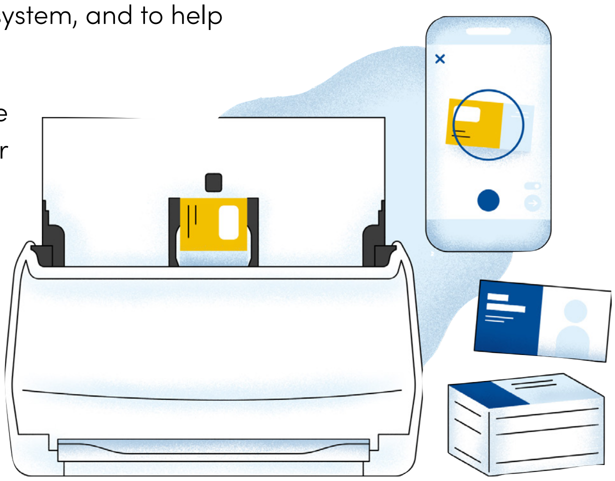
You're not alone in this work reform journey either. Your Sansan rep works with you and your company to help with your transition to the system, and to help with your digital transformation.

Hopefully, after reading this, you're inspired to learn more. As we enter an age where physical distance may be more of a limiting factor, we need each other more than ever.

The Sansan system continues to evolve to help companies maximize their human networks and realize maximum revenue-generating potential from the internal connections they already have.

Find out how we can set your company on a new path of cooperative work, internal referrals, and more deals.

website contact email



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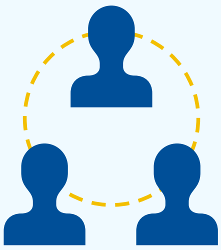
THE BENEFITS OF INTERNAL REFERRALS

COWORKERS ADD INSIGHT & INFORMATION

Share experiences and insider into on a contact, update details, and create richer data. This leads to highly customized approaches showing value and respect.

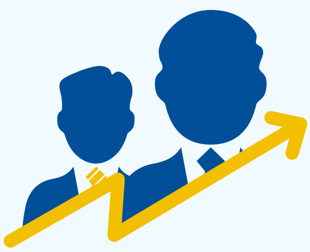


SEE OTHERS' CONTACTS AND GET INTERNAL REFERRALS

When seeking new opportunities, you start in the company, see who knows who, and get an introduction. You also assist others in making a connection.

ELIMINATE REDUNDANT APPROACHES

Prospects get irritated if they have multiple reps contacting them. Follow-ups with no coordination hurt future deals. Instead, keep shared notes on your prospects.



BETTER COOPERATION, STRONGER CULTURE

Salespeople of course get credit, but a sale is not an individual conquest. Share information and contacts, work together to advance deals. Everyone wins.

YOU'LL CLOSE MORE DEALS

You're delivering more personalized options You show true understanding of the customers' problems and needs. That puts you a step ahead.

About the author

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US-born and Tokyo-based, Adam brings a cross-cultural perspective to the Sansan team, incorporating East and West.

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About Sansan

Sansan builds cloud-based software solutions that help businesses large and small manage their contacts to uncover hidden networks and opportunities.

Sansan created and leads the business card management market. It has more than 6,000 customer organizations worldwide, in manufacturing, finance, government, and many other areas.

With Sansan's namesake B2B solution, companies create a centralized cloud database of their contacts. Business professionals can visualize connections in their organization and seek new leads and profitable pursuits.

Individuals or teams get real-time updates on sales progress and decision-makers, share insider hints, and use the power of many to close deals and to please their existing customers. Sansan users can also use the mobile app to enjoy anytime, anywhere contact access. Moreover, the API provides seamless integration with CRMs and MA tools for rich customer data.

All these features and benefits start from Sansan's high-speed, 99.9% accurate, multi-language business card digitization – made possible by advanced OCR technology powered by AI and secure, randomized human confirmation.

Sansan provides tools that inspire forward-looking professional teams to uncover their hidden networks, find opportunities within their organizations, and make more deals.

Uncover your hidden network.
Find opportunities. Make deals.

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