

Title:

Paying Referral Fees to Designers as a Creative Subcontractor - Should You Do It?

Word Count:

295

Summary:

Are you a creative professional who refers business to designers with nothing in return? Do designers expect a percentage of your project just for referring business to you? Find out how to handle this and how to make more money by building additional services for your trusting customers.

Keywords:

Referrals, sales, selling, marketing, designer, refer, fee, pricing, affiliate, value, client, customer, interior, decorate, creative, professional

Article Body:

Kirstin,

I am a faux finisher and I do some murals, too. When my clients ask me for referrals for designers, I give them names of people whom I think can help them. Should I let the designer know that I referred them?

- Arlene, Baltimore, MD

Arlene,

Not only should you let the designer know you referred someone to her, you should also ask for a referral fee or a percentage of the contract if she gets the client.

In the creative industry it is somehow "standard" for designers to get a percentage of contracts for murals, faux finishes, and other artistic work, but somehow it is not standard for the reverse. He who has the client's trust is the one who holds all the power. Should you be the one who the client trusts enough to ask for a referral, you should be rewarded for giving that referral.

If someone refuses to pay a referral fee or percentage for work you handed to them, then work with other designers or vendors. There are plenty of people out there who understand the value of a "hot referral" and are thrilled to reward

people for them.

We all know how difficult and costly it is to get a new client and how much time and effort is spent on marketing and selling. If someone hands you a "hot referral" that leads you right to new business, you should reward that person with a check. Don't see it as a loss of income, see it as a gain in new business. Without the referral, you wouldn't have had the business. Most successful businesses - in every industry at every level - make a portion of their revenue from money paid to them for referrals, and you should, too.

-Kirstin