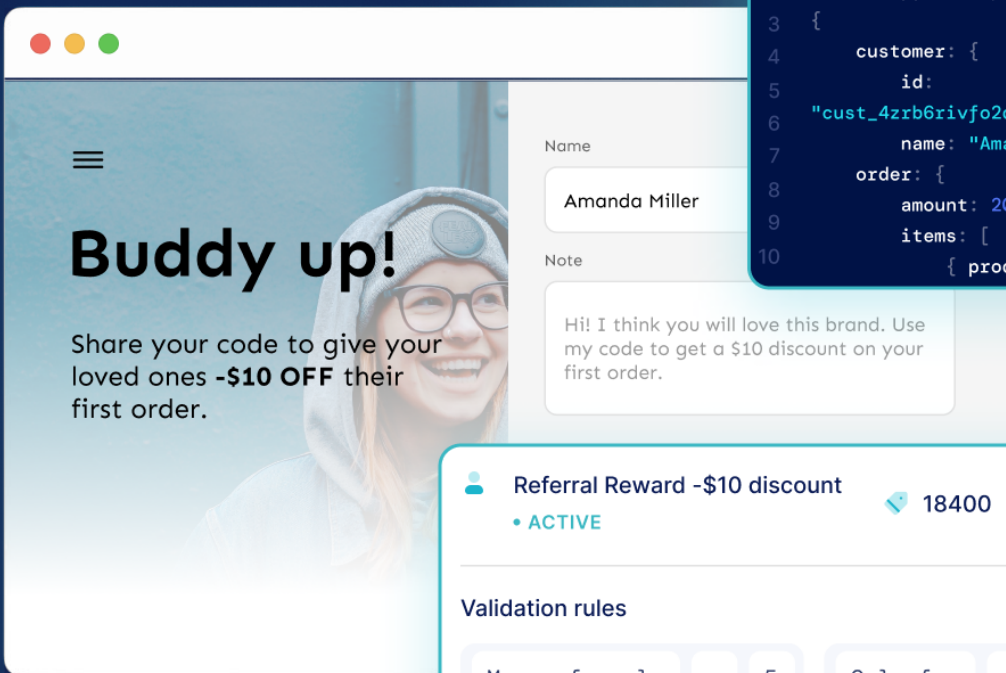






Referral Programs Ultimate Guide



```
Request
1  await
2  voucherify.redemptions.redeem(referralCode,
3  {
4    customer: {
5      id:
6      "cust_4zrb6rivfo2dL1H7z8w92DF7",
7      name: "Amanda Miller"},
8    order: {
9      amount: 20000,
10     items: [
11       { product_id:
```

 Referral Reward -\$10 discount  18400  17300  7800

• ACTIVE

Validation rules

Max referrals = 5 Only for the holders of the discount

Other discounts do not apply Excluding on sale products

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What is a referral program?

A referral program (word-of-mouth marketing) is a scheme in which you reward customers for spreading the word about your product or service. Your program can be single- or double-sided, depending on whether you reward only the referrers (advocates) or the referred friends as well (as a welcome incentive).

Customer referrals happen when a customer refers your product or brand to their friends or family. There are three types of referrals:



Direct referrals

Direct referrals occur naturally as customers are happy with your product and brand and spread about you of their own free will.



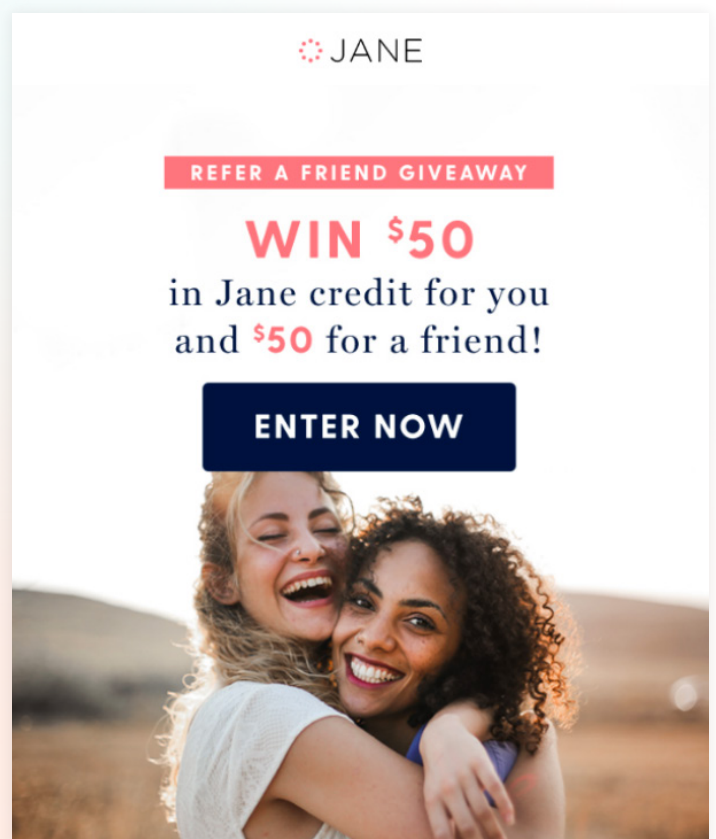
Reputation referrals

Reputation referrals occur thanks to high brand awareness and great reputation, despite the person not being your customer.



Incentivized referrals

Incentivized referrals are the referrals that you pay for in a form of incentives, helping to motivate happy customers to spread the word about your company and products.



Benefits of refer-a-friend programs

Word-of-mouth marketing is more effective than any other marketing tactic. People tend to trust their loved ones much more than ads and are four times more likely to buy when referred by a friend.

Second of all, it can be cheaper than traditional advertising, especially if you incentivize only successful referrals. If you only pay (give incentive) if a referred friend places an order, it is cheaper than traditional approach, where you pay per view or per click, not per successful transaction.

Other benefits of a referral program include:

- ✓ Higher satisfaction of your current customers.
- ✓ Reaching out to audiences you could have not thought of before.
- ✓ A customer who refers a friend is likely to visit your website more often to claim rewards. The more often a customer returns to your site, the more items they tend to purchase, especially if their rewards can only be used on an order (for example, a gift card).
- ✓ It is easy to track and see how it performs as you launch it on your own channels and set up any type of analytics, making it easy to calculate the ROI from your program.



“People influence people. A trusted referral influences people more than the best broadcast message.”

Mark Zuckerberg, Founder & CEO of Facebook

Risk of fraud

If your program does not have limits in place, it can be susceptible to fraud and abuse. Customers may create fake accounts and invite themselves as referred friends or send codes to non-existent email addresses. They may place referral codes on coupon aggregators instead of inviting their friends, which is less cost-effective and attracts the wrong audiences. They may also re-sell or give away their referral incentives. There are plenty of ways in which a referral program can be abused, this is why planning the right strategy and implementing various limitations is crucial.

How to identify brand advocates?

You should target specific customers with your incentive program, specifically loyal audience or soon-to-be brand advocates with high NPS (Net Promoter Score).

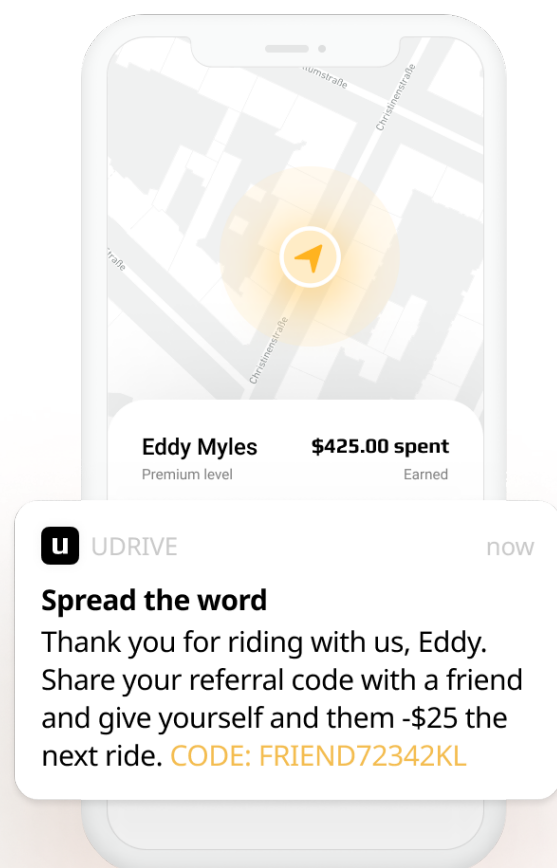
Here are a couple of characteristics that can help you identify them:

- ✓ They purchase from your brand regularly and trust you.
- ✓ They have purchased from you within the last year.
- ✓ They have left good reviews on your website.
- ✓ They have had a successfully solved customer complaint and you know they are satisfied with the resolution.
- ✓ They are highly engaged on your forum, social media and other channels.

Always think about the ultimate goal of your program.

Who and how you engage first depends on the your goals.

Is your goal new customers, shares or revenue? Only when you know that, you can start building your program.



Which incentives to use?

There are two types of incentives you can offer – **monetary** and **non-monetary** incentives. Monetary ones are usually more attractive but also more expensive and susceptible to fraud. We recommend researching and testing which incentives perform best for your audience.



“77% of Americans said they preferred to be rewarded for referrals with cash.”

Nielsen Harris Poll



Free product or service

You can offer a free product or service for the referrers or referees. This is a very common practice in subscription-based businesses, for example, a TV streaming service. You could offer one free month for the referrer who successfully refers their friend and for the friend, which will let them test the service.



Free upgrade

This is a great reward for the referrers. You could, for example, give them a free upgrade for one month for each successful referral. For example, Trello was giving Pro membership level upgrade for one month for each user who registered from the referral.



Discounts

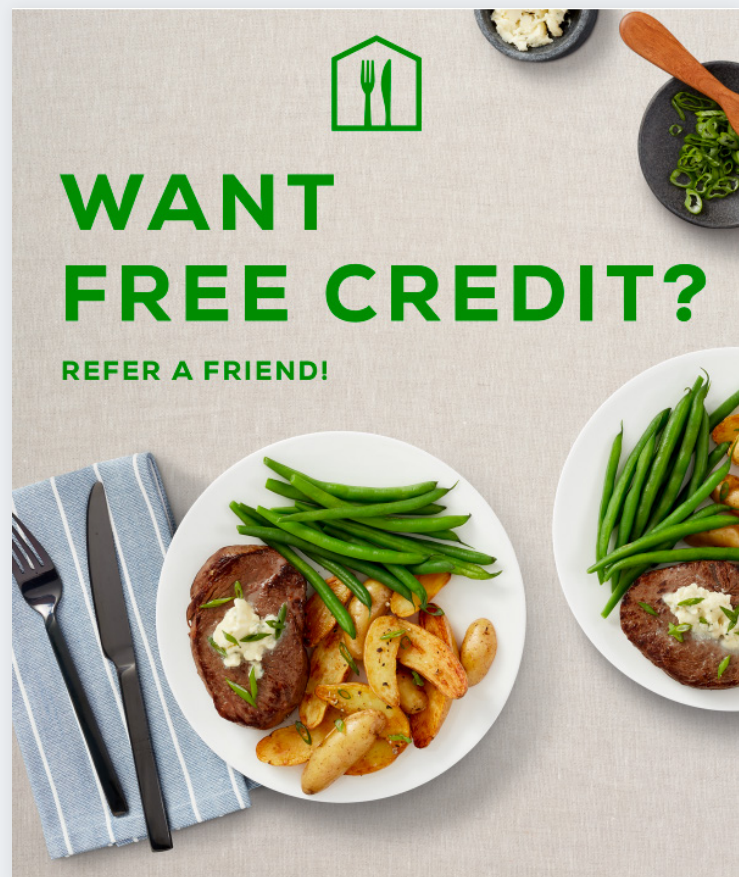
For example, a \$10 or 10% discount for the next purchase for the successful referral, granted on orders above \$30. If you've used Uber, you're probably familiar with their incentive structure: Referred new users get \$20 in free Uber rides, while the referrer gets \$10 in credits for every friend who signs-up for an account. Be careful if your product or service is seasonal or rarely bought, then giving discounts to the referrers may not be the biggest motivator as they do not know when they would place another order.

Loyalty points

This is a relatively cheap incentive you can offer to your loyalty club members for their referrals. They could then exchange the points for the loyalty incentives you offer, to cash them out. It is comparatively cheaper because it can be cashed out in your store and many loyalty points expire before being redeemed.

Gift cards

You can offer gift cards, both as a referrer and referee reward. They should have an expiration date (if legal in your country) to motivate customers to cash them out quickly and not collect too much liability on your side. They are a good incentive as they have to be used in your store and therefore bring in additional revenue. You can also set a minimum order value to ensure the customers who use them will bring you extra profits.





Free cash

You can offer cash prizes for referrals. This is a great incentive if you know your referrers may not be shopping with you any time soon (in the case of rarely bought products, such as glasses, cars, household appliances, and other goods where the turnaround is slow). Another example is if the referrers are your employees.



Charitable donations

Some companies offer charitable donations as an incentive, especially business that are closely tied to the environment, society, or charitable causes or whose customers are known for their concern for sustainability.



Giveaway entries

Instead of an immediate reward, you can offer a giveaway entry to all people who have referred a friend.



Tiered referral program

Whichever incentives you choose to offer, you can make the program tiered, giving different incentives for a different number of invited friends.

Refer friends. Travel free!

After your eighth referral departs on their first trip, you'll travel on tour for free. There's no limit on how many referrals you can make, so don't stop there. You'll keep earning referral credit for nine, ten, eleven... (you get the drift).



How big of a discount to offer?

On average, most businesses offer approximately a 10%-30% off discount or a corresponding dollar off value. In the case of subscription-based businesses, the reward is often one month free or one month upgrade to a higher subscription plan.

To determine the optimal cost of your referral incentive, you'll need to calculate two metrics – **customer lifetime value** (LTV) and **customer acquisition cost** (CAC). For example, if your average customer spends \$25 and the profit margin you get is 30%, then the LTV is \$7.50. Knowing that number makes it really easy to determine how much you can pay in referral rewards to acquire your “average” customer.

Single or double?



Single-sided program

This program structure rewards only the referrer. Then you can offer a larger reward to one party increasing the likelihood of the referral. The single-sided referral program is cheaper to implement but it may have a lower success rates due to lesser motivation on the side of the invited friends to try out your products or services.



Double-sided program

This structure rewards both the referrer and the referees, so invited friends. It was the mechanism used by global leaders such as Uber, Airbnb or Dropbox. The economics of the double-sided program come down to finding the balance. It doesn't require much more resources as you cut a little discount for referrers. For example, if you offered 25% off for the referrer, you can offer 15% off, and an additional \$10 on the gift card for new customers.

What referral limits to use?

There are two types of limitations you can impose on your referral program. First of all, there are referral program limits for both referrers and referees, for example:

- ✓ What is a successful referral? Only those who placed an order?
- ✓ Who can be a referred friend? Only new customers?
- ✓ Who can refer friends? Only active customers?
- ✓ How many referrals are allowed per referrer within a certain time period?
- ✓ How long is the referral link or code valid?

Then, there are also the incentive redemption limits. To protect your budget and optimize your ROI, you should limit your promotions. You should keep in mind your target market and the goal of the campaign to define which limits to use. Here are some ideas:

- ✓ Can referral rewards be applied to any order or is there a minimum order value?
- ✓ Can there be more than one discount used on the same order?
- ✓ What is the expiration date of the rewards?
- ✓ What are the channels where the rewards can be used?
- ✓ Can the rewards be transferred to another person?

The screenshot displays a 'Campaigns' management interface. At the top, there is a table with columns for 'Name', 'Vouchers', 'Published', and 'Redeemed'. Two campaigns are listed:

Name	Vouchers	Published	Redeemed
Referral Reward -15% discount • ACTIVE	18400	17300	7800
Gift Cards • ACTIVE	30800	14700	10400

The 'Referral Reward -15% discount' campaign is expanded to show its 'Validation rules':

- Max referrals = 5
- Only for the holders of the discount
- Other discounts do not apply
- Excluding on sale products

How to personalize your program?

You can and you should make the referral message personalized. You should let the referrers add their own notes to the referral messages. You could also add a name and picture of the referrer, especially if they have to be logged in to refer their friends and you can pull this information into the message automatically. You can also use the referrer's name as the referral code or let them personalize the referral code or link. Other ways you can personalize your referral program include:



Personalizing the audience

You can try inviting only selected customers to the referral program, for example, those who left you a positive review or who made at least five purchases. In the case of referral programs, the segmentation is the quality that will let you identify brand advocates and target them with special incentives in the future to maintain the attractiveness of your brand.



Personalizing the visuals

You may personalize the content on the referral program ads or landing pages, for example displaying the products the customer has already purchased on the banners or displaying a personalized message, for example: Did you like your last purchase, Olivia? How about sharing that with your friends?



Personalizing the rewards

Finally, you may personalize the referral incentives, for example offering a discount on the customer's favorite category in return for the referral.

How to encourage customers to join?

If your referral program has low participation rates or you want to set your new referral program for success, there are a couple of ways you can increase your referral participation.

Promote the program

You should ensure that customers know about your program. You should promote it in various places, starting with your own POS and online store.

Engage sales assistants

Sales assistants should proactively promote your program among satisfied customers to encourage participation. You should train your staff and provide them with marketing materials to set them up for success.

Make it easy to join

Besides promoting your referral program, you should make it as easy as possible to participate. Ask for the minimum information in your program form, make the website fast and accessible, give hints to guide referrers through the process, and enable plenty of sharing options to choose from. The easier it is to participate, the more participants you will have.

GIVE \$20, GET \$20!

From:

Subscribe to our newsletters

To: + Get an extra \$20

Note: ▾




Send my friends a reminder e-mail in 3 days **SEND EMAIL**

Your link: **COPY**

You can share it on twitter, with instant messengers, send in sms or just tell a friend.

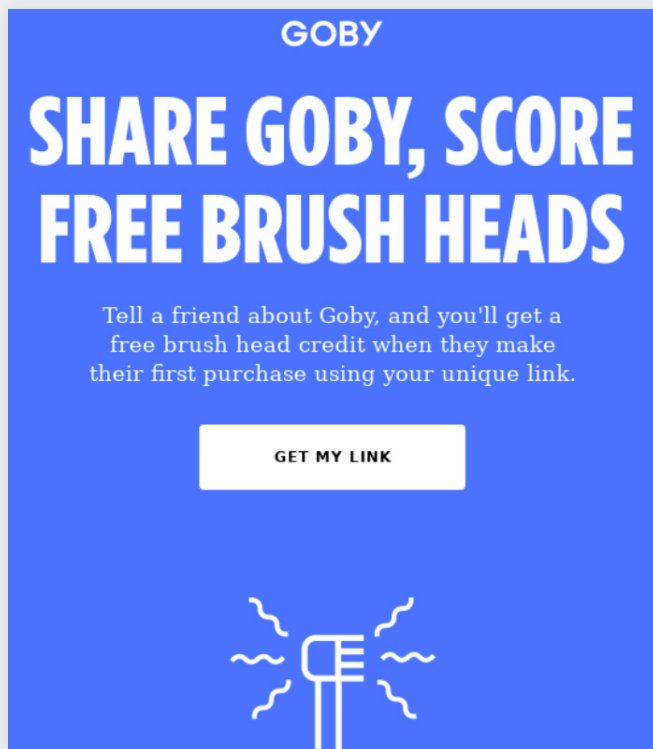
Friends must make a minimum purchase of \$50 to qualify. Friend offer valid only for new customers. To use reward, advocate must also make a minimum purchase of \$50. Please allow up to 2 days to receive advocate reward. By accepting this offer you agree to the Terms of Service and Privacy Policy and Terms & Conditions.

REFER A FRIEND

-  Invite your friends to Lulus.
-  Your friends get \$20 off their first purchase.
-  You get \$20 for every friend that makes a \$50 purchase.

Make the rewards appealing

Customers may love your products but they will not necessarily spread the word about it unless offered an incentive. You should make the rewards appealing to your target audience. There is no perfect reward, it all depends on your audience's preferences. You should research what motivates them most and then offer that as a reward, whether it is free shipping, free products, gift cards, discounts, or cash. Depending on your budget, offer the most interesting customer incentive within your capacities for that campaign.



Offer an incentive for referring, not only successful referrals

If your participation levels are still low, you can consider offering an incentive for referrals, regardless of whether they are successful or not. It could be something small, for example, a loyalty points boost, free shipping on their next order, \$1 gift card recharge. Just make sure you have limits that will protect you from fraud, for example on the number of referrals per month to avoid abuse.

Friends Don't Let Friends Miss Out!

Have you entered our Squad Sweeps yet?
Share your love of Haverdash for a chance to
win 3 FREE months, plus a swag bag of goodies.

Fire up the group chat and start collecting
those email addresses now!

REFER YOUR FRIENDS

Make sure the messaging is clear and altruistic

You should make sure all your promotional messages are easy to understand. Create catchy headlines and state the incentives straight in the headline or on the main banner. Make sure your terms and conditions are easy to follow. People often prefer a more altruistic message, for example "Give your friends \$10 off" or "Share the love" than "Get \$10 off for referring friends". They feel better referring your business to friends if they see the benefits for their friends as well.

Where to advertise your program?



“The marketing channels that you use to send your offers need to be based on the channels that are most often frequented by your core buyer personas. Your most important kinds of ideal clients must be the ones who dictate how you allocate your resources for sending offer.”

Joshua Feinberg, Data Center Sales & Marketing Institute

There are many channels you can use to promote your referral program. You should investigate where your customers spend the most time and then try those channels. Of course, the preferences will depend on the customer segment so you should use different channels for different customer segments. We have listed some channel ideas for you below:

Landing page

You should have a referral program landing page not only to advertise your program but to explain its rules and benefits and inform interested customers on how it works. It should be your information hub about the referral program and you should direct people in all other ads to that place to explain the scheme and answer any questions they may have.

omsom

SHOP MEET US BLOG RECIPES LOGIN

SHARE THE OMSOM LOVE

GIVE \$5, GET \$5 🍷

For every friend you refer, you'll get \$5 off your next Omsom order - and they'll get the same off their first order!

Your email address

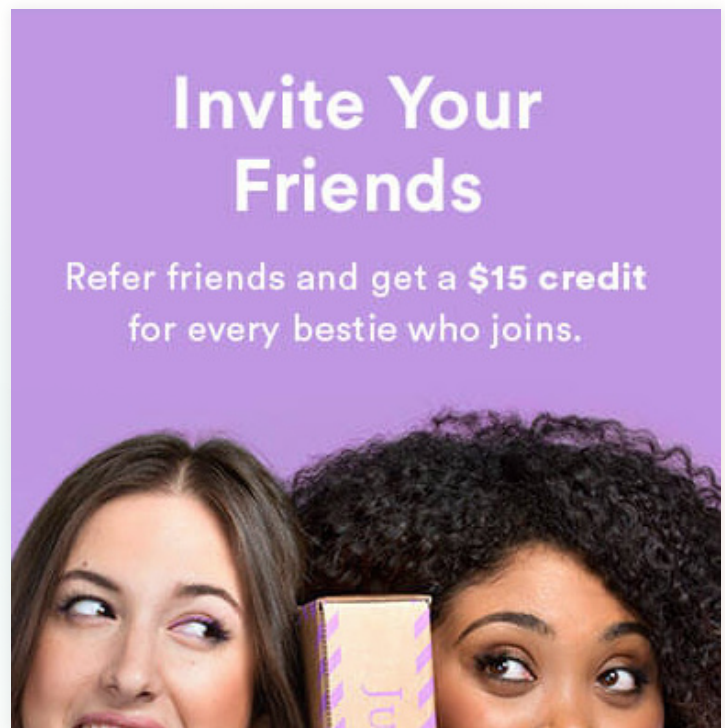
REFER FRIENDS

Referral widgets

Widgets are UI components that enable you to perform a specific action. You can place referral widgets on your site to improve customer experience and effectiveness of your program. The most popular referral widgets include the main site widget that is placed in the corner of your site allowing users to claim their referral code or share it via multiple channels straight from your site. You can also add post-purchase widgets that show a referral sharing panel immediately after the purchase.

Social media

You can reach your current followers by posting organically on your feed or in your stories. Paid ads don't make too much sense as you want to reach out to current customers unless you set your target audience as your followers. Social media is more for one-time actions like advertising the launch of your referral program, reaching milestones or adding any new incentives to your referral program.



SMS & push notifications

Similar to emails, SMS and push notifications are a great way to inform selected customers about a referral program. You should attach a link to the landing page that explains the rules and that lets customers send referrals to their friends. Remember to make the landing page mobile-friendly if you want to advertise your program on mobile.

Here's \$5 On Us

Every time a friend uses your invite link to start a Harry's trial, both of you save \$5 on your next box.

Copy & send this link to your friends:
harrys.com/invite/awy68m

Or, [share via email](#)



Banners & pop-ups

You can place your program ads on the website banners, especially if you have just launched it. Website and mobile pop-ups are another very visible placement to use for your referral program. They may be considered intrusive but they are an effective way of communicating the scheme, especially when it has just launched.

Emails

You can inform customers about your program via email. You can send an email when you start your referral program or change its rules. You can also send these emails automatically, for example to every customer after one month since their first purchase. You can consider sending reminders as well, for example, every year to those, who have not yet referred anyone. This requires having access to customer data and a promotion engine that can manage the logic for sending emails and notifications to certain segments, based on their activity.

Customer account & POS

You can mention the program or place the referral form in the customer's account (profile). This will ensure you keep track of who referred a friend (as they have to be logged in to do so) and also is a great place to advertise your referral program. You may also place information about your referral program on any POS materials (banners, leaflets, etc.).

Whatever channels you decide to use, make sure to create a genuinely omnichannel experience. It means a seamless journey – from online to offline mode. You should ensure the same program is valid across all channels and that the visuals and the rules across all channels are the same.

How to improve referral UX?

✓ Add a compelling headline

The page title should be simple, uncomplicated and explain what the page is about. Here are some examples: “Refer a friend and earn rewards,” “Share your love,” or “Get a free dinner for you and your friends.” For example, Harry’s referral program page headline is short and catchy and contains the benefit: “Don’t leave your friends behind. Invite friends & earn product.”



✓ Allow for referral code customization

If you use referral codes or links, allow for code or link personalization (for example, KATE-10 or www.domain.com/kate-10). It will make it more shareable, easier to remember and more likely that your referrers will add it to their social media post, for example. Having these kinds of codes or links helps your friends identify with minimum cognitive effort that this is an invite from a friend.

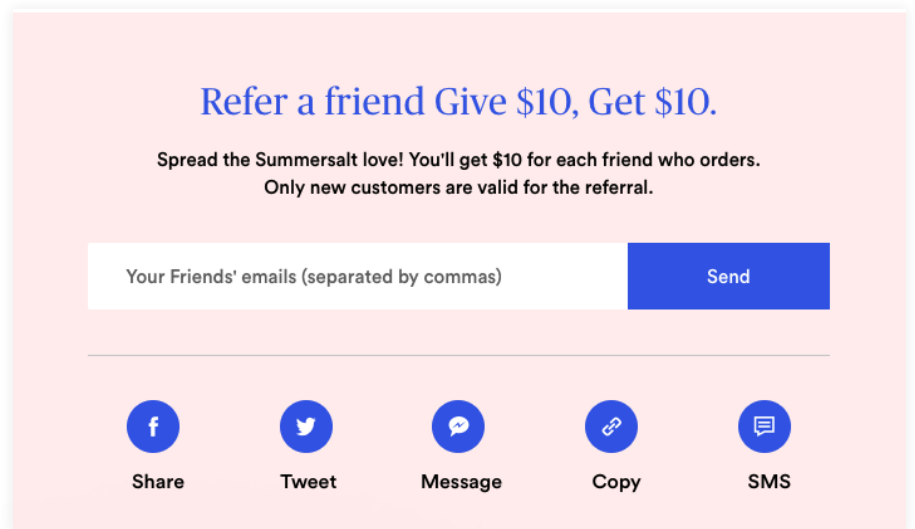
✓ Include FAQ or T&C in your referral landing page

Customers will usually have a few questions before signing up for your referral program. Add a section for some FAQs (you can select a few key ones, if you prefer to create a separate terms and conditions page) to provide ready answers for your potential advocates.

✓ Provide multiple sharing options

Provide plenty of sharing options based on your audience demographics. If they prefer using social media over emails, allow to share the referral link or code via social media natively. If you provide your program on your mobile app, use the built-in sharing function for the mobile apps to use all the options the mobile usually provides. This way your referrers will have access to their phone address book, email lists, and social media accounts right off the bat. It will also help with the user experience as they know how this functionality works. Remember to provide relevant links for mobile and desktop. If you send a link to a mobile device, it should open your app or app store, if on desktop, it should guide the users to the desktop site.

For example, Summersalt provides multiple options to share referral links – via email, SMS, Facebook, Messenger, Twitter, or simply by copying and pasting the link.



✓ Provide a referral message template but allow customization

In some cases, it's best to provide a prewritten message to encourage potential advocates to send invites to their friends. You should, however, let the referrers customize the messages if they don't like the prewritten text. You should make the copy informal and personal and include the name of the referrer and the referred friend. It should be short, straight to the point, explain a little bit about the brand as well as what's in it for them (a discount) and how to get it (use the referral code). You should also include a visible CTA. For example, Away has a short form that requires only the referred friend's email address and has a prewritten message (that can be customized).

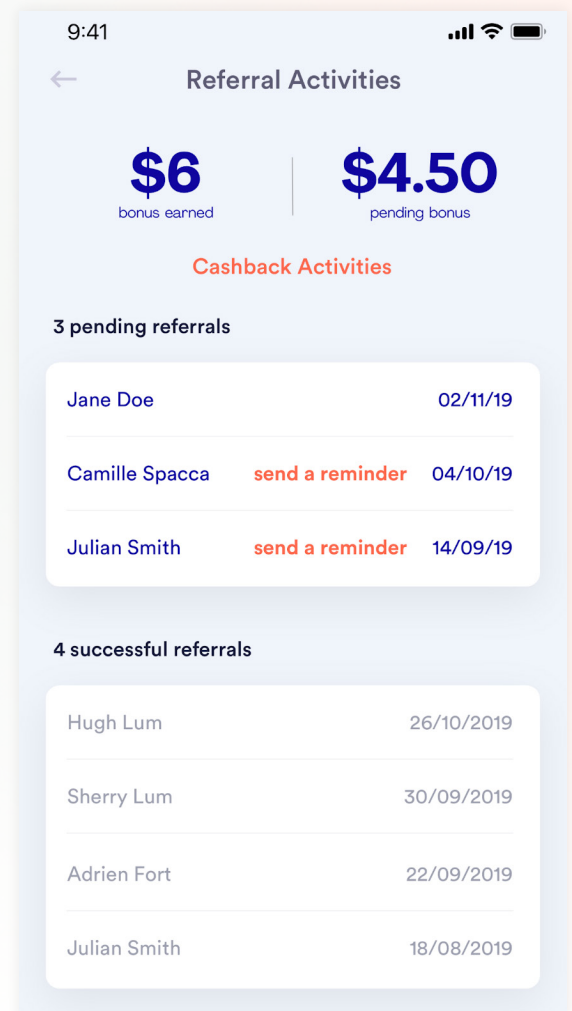
✓ Create a landing page for the referred friends

You should decide where you want the referred friends to land. There are a couple of options. You can direct them to the general referral program page where you explain the rules of the program. You can also direct them to a referral program page specifically designed for the referred friends, explaining the rules from their perspective (focusing on how they can get their reward) and showing your products. You can also just direct them to your offer, by linking to your home page or your product pages. The latter is the best option out of all because it will display your offer and bring referees one step closer to completing a purchase. However, if you choose that scenario, remember to add the program T&C in the message you send to them. To make the reward redemption easier, it is best if the link to your offer is a deeplink that also adds the referral code to their basket so that they do not have to remember to copy it or to simply make your incentive a auto-applied promotion (if they follow that link). Make it clear then in the referral message that the offer will be applied only if they follow the link in that message and complete the order in the same session.

✓ Let the referrers track their progress

If you allow for multiple referrals, it would be very useful for the referrers to see their progress. You can also allow them to send a reminder to their friends who have not redeemed the reward yet. This way, you let them manage their referrals and avoid confusion on the status of their referrals.

For example, Eatsy offers a page in their mobile app that displays the status of all referrals made by a customer.



Referral program toolbox

You already know that referral programs are an incredibly powerful strategy for attracting new customers, driving revenue, and building positive associations with your brand. But what you probably don't know is how to make them the most powerful part of your sales strategy and incorporate the word-of-mouth into your business. So what elements do you need to have in place in order to succeed?

- ✓ Codes generator that ensures the uniqueness of referral codes.
- ✓ Tool for creating codes restrictions.
- ✓ Tool for automatically assigning codes to customers.
- ✓ Infrastructure for sharing the codes or 3rd party integrations.
- ✓ A method of handling redemptions efficiently.
- ✓ Analytical tools for tracking referral rates and campaign ROI.

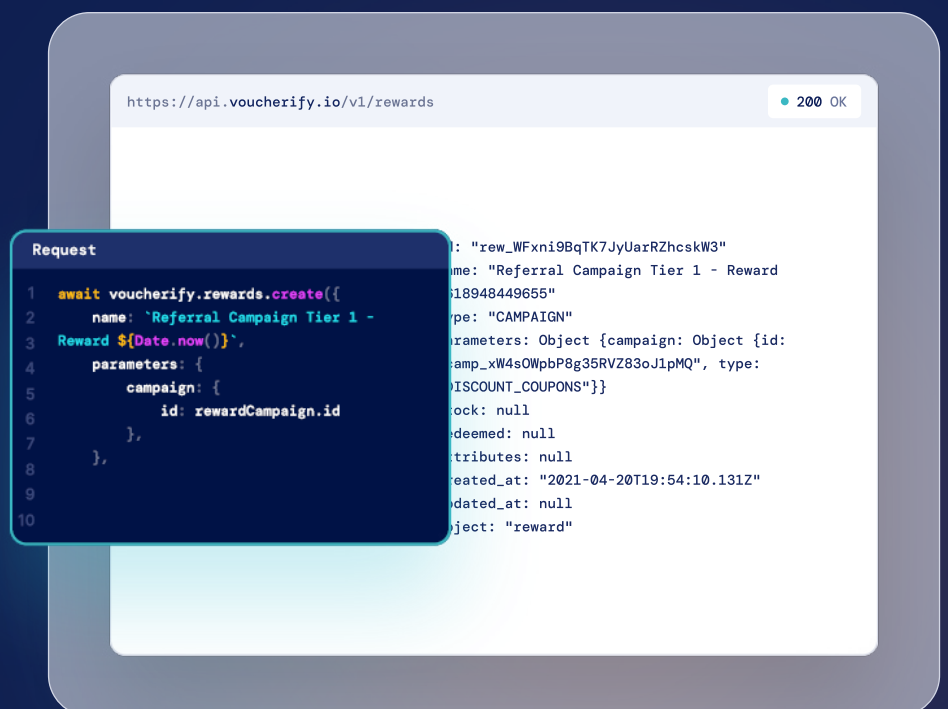
This set of tools is the minimum developmental effort you need to make in order for your referral programs to run smoothly and bring you the expected results. A lot, right?

You can take three approaches when deciding on infrastructure – you can create your own software, you can use SaaS providers which offer many out-of-the-box solutions, or you can use SaaS referral providers based on API and geared towards customization.

The first approach offers the ultimate freedom, but it requires a lot of IT effort, resources, and time. The second method will be the fastest, yet it will fail to provide you with the customization your programs might require in the long run. The third strategy requires some developmental work at the beginning yet eventually it will bring you almost ultimate freedom with designing your programs at the end.

Even if you have a substantial team of software engineers at your disposal, achieving a high level of flexibility of your referral software can take ages. This is where the headless commerce or API-first approach comes in. It gives your team programmable building blocks that make business logic development faster, but you still get the freedom of choosing the technology of the customer-facing applications and can connect your backend to other ecommerce/CRM systems to ensure data integrity. In a nutshell, it takes out the cons of both rigid eCommerce platforms and the legacy in-house promotions implementations, making referral programs management easier.

Developers' time is not cheap. There are a lot of more important projects in your backlog than changes to the program rules or rewards, which could be potentially done by your marketing team. You should ensure that the solution you implement will reduce maintenance and running costs to the minimum. The best way to do that is to go for an API-first solution. This approach will make implementing all necessary referral features faster and cheaper as well as allow for plenty of customization in the long run.



How to measure your program ROI?

There are a couple of measurements you should implement to measure the success of your referral programs.

Redemptions measurements

Redemption is an application of your incentive to a specific order. There are two types of redemptions you should measure – referral code redemptions (done by the invited friends) and the reward redemptions (done by the referrers). Each referral code or incentive redemption should be tracked and include the following details:

- ✓ The incentive type and amount & redemption date and time.
- ✓ Whether the referral code or incentive redemption was successful or failed.
- ✓ Customer who redeemed the incentive or referral code, who was the referrer.
- ✓ Referral campaign associated.
- ✓ Redemption channel.
- ✓ Order details (cart contents, delivery method, etc.).

Customer detailed view & distribution reports

It is very insightful to have a 360-degree customer overview. You should be able to see all failed and successful referrals. To see how your channels are performing, you should be able to access distribution reports with open rates (OR) and click-through rates (CTR) as well as which channel brought you the most referral to use this information for other promotional activities or for re-arranging the landing page buttons/links.

Referral campaign overview

You should be able to see the referral campaign details at a glance. It would also be helpful to see the average cart value and volume from all purchases done by the referred customers. You should also be able to track changes made to the referral campaigns.

How to prevent referral fraud?

- ✔ Offer non-monetary rewards (discounts, gift or loyalty points) for each referred customer.
- ✔ Rewards customer purchases or engagements, not solely invites.
- ✔ Limit the number of referrals per referrer.
- ✔ Constantly monitor the referral program performance.
- ✔ Monitor IP addresses.
- ✔ Track similar email addresses and email patterns.
- ✔ Introduce email verification.
- ✔ Invest in behavioral analytics to detect suspicious activity.
- ✔ Block referral redemptions coming from rooted devices and emulators.
- ✔ Control the codes distribution and channel performance.
- ✔ Use a staging environment to test the program.
- ✔ Advocates should not be able to earn rewards for referring themselves or existing customers.
- ✔ Have an option to quickly ban suspicious advocates to stop further abuse.
- ✔ Control access to your referral management software.

The screenshot displays a 'Logs' section with a search bar containing the text 'GET: /v1/vouchers/v_cxeT8HZbADB5kS3VaN3j1DYST'. Below the search bar, there are two panels. The left panel shows details for a specific log entry:

ID	log_wbWpfgE35ctYkc E12yWJKJtSiNv7G5EC
Channel	Dashboard
Performed by	a.mccoy@udrive.com
Related Object Type	Voucher
Related Type	HKNfuBsJ
Related Event	-

The right panel shows details for the request:

Method	GET
URL	/v1/vouchers/v_cxeT8HZbADB5kS3VaN3j1DYST
Occurrence date	26/05/21 07:08:32
Status	200
IP Address	89.62.54.300
Request Origin	https://app.voucherify.io

How to optimize your strategy?

There are a couple of ways to optimize your referral program strategy. Most of them are based on trial and error and require you to measure the results, so implementing tracking is the basis for it.

There are two main approaches to optimizing referral campaigns:



Launching smaller campaign experiments

Doing a test run with smaller segments can help you determine which strategies are the most effective. This can also help to keep you from offering a referral incentive that is too big and cuts into your profits. In the beginning, you could run small referral campaigns with diversified parameters, such as single- versus double-sided, varying the incentives and limits. You must be patient and aware that it will take some time and numerous experiments to figure out what works best for your business.



A/B testing

This one is more complicated as it requires dedicated software that would show different referral program rules to different people in a randomized manner and that would send the data of the A/B split to Voucherify to segment the customers and apply those different rules to them. It is complex but possible. The results of such a test are more straightforward and obtained in a more reliable way than if you were just launching small experiments.

If you have or can pay for software that allows you to A/B test your content and collects data about which user/customer was shown which content, we believe this is the best way to optimize your campaigns.

Referral programs library

For the complete library of ideas for engaging referral programs, visit our Inspirations section.

[Go to library](#)

Advocacy

Single-sided program

Suggested channels:

[Social media](#)

[Website](#)

Example

Create a referral program in which you reward advocates with a \$10 gift card for each successful referral. Referrals are considered successful if a referred customer subscribes to your service for at least three months without cancelation. The rewards are therefore processed only after that period of time.

Main benefits

One-sided programs are less complex when it comes to implementation and can be cheaper.

Best practices

- ✓ Set up the conditions for getting rewards wisely, decide what is considered a successful referral for your business.
- ✓ Discounts work well as referral rewards, so do gift cards and free subscription periods.



Advocacy

Double-sided program

Suggested channels:

Social media

Website

Example

Offer a 10% off the next order for both, referrer and referee, applicable once per customer for orders above \$30. For referees, limit the use to only new customers and add free shipping on top. Referrers get their reward only if the referee pays for their first order using their discount voucher.

Main benefits

This type of refer-a-friend program is great for getting referrals. As it grants a discount or a perk for those referred, it is also encouraging the invited friends to purchase from you for the first time. As the referees will probably use the discount they got if they place an order with you, it is easy to attribute the referrals to their results.

Best practices

- ✓ If you change from a single to a double-sided program, the cost does not have to be double. Imagine you offered 10% off for referrers previously. You can split the discount and offer 5% off for both, referrer and referee.
- ✓ Cap the number of referrals you want to incentivize per referrer (for example, a maximum of three referrals per person) to protect your budget from abuse.
- ✓ If you add the referee discount as a unique discount voucher it will make it easy to track, which referrals were successful and which were not.



Customer success story

OVO Energy is an energy retailer. They launched in 2009 as a part of the OVO Group with a mission to change energy for the better. Their goal is to become a net-zero carbon business by 2030 while helping the OVO Energy members halve their carbon footprints.

To conquer the Spanish market, OVO Energy decided to use a double-sided referral program. Their team was looking for an out-of-the-box, flexible, and affordable tool that could be used by the marketing team without bothering developers. They wanted ready software, produced and maintained by a company specializing in promotion management, not having to spend their time designing, producing, and maintaining any code. Using the dashboard was easy for their team which was delighted with the support he and his developers got from Voucherify's team.



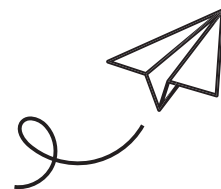
Enjoy fantastic discounts while helping the planet

Share a greener, more honest and cheaper energy and get benefits on your electricity bill with our Friend Plan.

[See all conditions](#)

Results

- ✔ 7-9% customer base increase.
- ✔ **One-month-long** time to market and only one development sprint.



We are here to help

Contact sales for a personalized demo or sign up for a free trial and give Voucherify a try. You have 30 days to test your unique ideas for referral programs and feel the power of a new cross-channel experience created with incentives. No strings attached, no credit card needed.

[Book a demo](#)

Current & future e-commerce leaders choose Voucherify:

