

THE ETHICAL ESTABLISHMENT OF PATIENT REFERRAL PROGRAMS



How ethical and creative approaches to patient referrals can drive authentic, lasting engagement.

BY ROD SOLAR AND LAURA LIVESEY

The most effective strategy for generating referrals to your practice is to provide exceptional patient experiences and outcomes. Not only do satisfied patients become ambassadors for your practice, but referrals are the most scalable form of lead generation. Advertising costs will inevitably rise, making warm audience referrals a more cost-effective strategy. Companies that have achieved global success rarely require formal referral programs; their service quality alone drives customer advocacy.

If your practice is falling short of your patient referral goals, it is crucial to objectively assess and enhance the patient experience. No level of incentivization can compensate for subpar service.

THE LIMITS OF FINANCIAL INCENTIVES

Improving patient satisfaction is a gradual process. While you work toward this goal, consider launching a program that rewards patient referrals in nonfinancial terms. In our experience with thousands of refractive surgery patients, financial incentives often failed to increase—and sometimes even decreased—the number of referrals.

Patients usually refer individuals within their social circles, thereby attaching emotional significance to the referral process. These patients have skin in the game, so to speak, because their reputation and credibility are tied directly to the experience of the person they refer.

EMOTIONAL AND INTRINSIC VALUE IN REFERRALS

In our experience, most customers tend to be motivated less by financial incentives and more by the intrinsic value of making a meaningful recommendation. The foremost concern of people who recommend a business or provider is the benefit to the recipient because the risk to their reputation from a poor recommendation outweighs any potential financial gain.

CREATIVE WAYS TO REWARD REFERRALS

We encourage all surgeons to acknowledge and reward referring patients. Rather than offer monetary rewards, consider using alternatives.

Thank-you notes. A personalized, handwritten note can significantly strengthen your relationship with the referring patient.

Charitable donations. Make a donation to a health care–related charity on behalf of the patient for each successful referral, thus allowing them to contribute to a worthy cause.

Recognition and acknowledgment. Highlight patients who actively refer others, whether on a referral wall in your practice or with featured stories in your digital communication channels.

Patient-appreciation events. Host events exclusively for patients as a token of gratitude. These can range from annual picnics to special evenings out.

Exclusive events. Offer exclusive gatherings such as a private dinner with the surgeon to patients who refer others to add an element of exclusivity to their efforts.

Referral contests. Organize a competition rewarding the patient who makes the most referrals within a set time frame. Nonmonetary prizes such as practice-branded merchandise can encourage participation.

A NOTE ON THE COMPETITION

Your competition's referral incentives are irrelevant. By the time a patient is considering a referral, they generally are not swayed by what other practices may offer.

A THOUGHT EXPERIMENT: A REFERRAL-ONLY PRACTICE

We leave you with this thought experiment: If your practice could acquire patients only through referrals, how would that influence your service delivery?

Note: Consult legal counsel to ensure that any referral incentive program you implement complies with local, state, and federal regulations as well as professional ethics and standards. ■

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