



What a great referral program actually delivers.

Real results from leading brands (anonymized). The proof that word of mouth is a channel you can measure, scale, and count on.

Your cheapest, highest-converting channel is the one your customers run for you.

Paid keeps getting more expensive and less loyal. Meanwhile the best introduction in your funnel has never changed: one customer telling a friend. The hard part was always scaling it.

So we pulled the numbers from brands running referral programs on Friendbuy and organized them into five patterns that separate the top performers.

THE FIVE PATTERNS

01 Referred customers aren't just cheaper. They're worth more.

02 Referral can be a material acquisition channel, at real scale.

03 It's the cure for the rising paid-CAC hamster wheel.

04 In trust-dependent categories, it's the cheapest acquisition there is.

05 Sophistication compounds. The best programs find ways to keep getting more out of referral.

Referred customers aren't just cheaper. They're worth more.

The oldest objection to referral is that it just discounts people who would have bought anyway. The data says the opposite. Customers who arrive through a friend are worth more: in lifetime value, in how they convert, and in how long they stay.

+57%

higher lifetime value vs. non-referred

HEALTH & WELLNESS
SUBSCRIPTION BRAND

Referred customers were worth 57% more over their lifetime.

A different league of quality, making it one of the most profitable channels they run.

40%

friend conversion rate, about 2x benchmark

GLOBAL SPORTSWEAR
BRAND

One-to-one referrals convert at 40% and a 25% higher AOV.

Even at global scale, a friend's recommendation brings a buyer who already trusts the brand, and is worth more once they arrive.

+20%

higher AOV for advocates; +11% for friends

PET-WELLNESS BRAND

Advocates spend 20% more, and the friends they bring spend 11% more.

Rewarding a referral does not just acquire a customer. It makes your existing one more valuable too.

Referral can be a material channel, not a rounding error.

Treated seriously, referral stops being a nice-to-have and starts contributing a meaningful share of new customers, subscribers, and revenue.

\$15M

in referral revenue in a single year

PREMIUM ACCESSORIES & LIFESTYLE BRAND

This brand drove \$15M through referral in a single year.

At scale, word of mouth becomes an eight-figure line item, not a footnote.

40%

of new email and SMS subscribers from referral

YOUTH SPORTING-GOODS BRAND

Referral drives 40% of new subscriber sign-ups, at a 30x ROI.

Referral is one of the most efficient list-growth engines you have.

14%

of all new customers, via referral

CONNECTED-HARDWARE BRAND

Roughly 1 in 7 of this brand's new customers now come through referral.

For a high-consideration hardware purchase, that is a serious slice of growth from a channel that pays for itself.

It's the cure for the rising paid-CAC hamster wheel.

The true cost of paid is usually 2 to 3 times the media spend once you add content, creative, and management. Referral flips the economics, and the brands that measure honestly see it immediately.

117x

lower cost per acquisition
than paid

PERSONALIZED BEAUTY
BRAND

Referral customers cost 1/117th the CPA of paid, at an 8x program ROI.

When a channel is two orders of magnitude cheaper than paid, the only question is why you have not invested already.

1 in 5

new customers now come
from referral

EXPERIENTIAL WELLNESS
BRAND

After escaping the paid hamster wheel, 20% of new customers arrive by referral, and one advocate alone drove \$70K.

"When you calculate CAC, you only count ad spend, not the content, creators, and testing behind it. Referral removed all of it."

35x

return on ad spend

DIRECT-TO-CONSUMER
APPAREL BRAND

Referral returned 35x, even at a premium order value near \$300.

High ticket, slow consideration, and referral is still the single most efficient channel they run.

In trust-dependent categories, referral is the cheapest acquisition there is.

Lending, insurance, healthcare: anywhere the buyer has to trust you before they buy, referral has a structural edge. The existing customer carries the trust paid media has to manufacture from scratch.

\$600K

funded loans from referral,
first ~60 days

~20x

ROI on the referral program

23%

friend conversion, roughly 2x
benchmark

A leading consumer-finance brand had wanted a referral program for over a decade but lacked the infrastructure to capture word of mouth. Within two months of launching, across digital and in-store, referral was outperforming benchmarks at every stage of the funnel.

METRIC	THIS BRAND	TYPICAL BENCHMARK
Advocate landing-page share rate	27%	15 to 20%
In-account dashboard share rate	19%	5 to 10%
Friend conversion rate	23%	10 to 15%

A referral from an existing customer carries trust that an ad cannot manufacture. That is why referral consistently beats paid on both cost and conversion for lenders, insurers, and fintechs.

Sophistication compounds. The best programs find ways to keep getting more.

Set-and-forget leaves money on the table. Top-performing clients test offers, placements, and campaigns that stack into outsized gains.

+220%

share rate through A/B testing

HOME-GOODS BRAND

Testing lifted the share rate 220% and made referral a 7x-ROI channel.

Small, disciplined experiments compound into a fundamentally better program.

50%+

referral lift from one campaign

FASHION-SUBSCRIPTION BRAND

A single seasonal referral campaign drove over 50% lift and over 10,000 first-time advocates.

Well-timed promotions do not just spike volume. They reactivate dormant and paused subscribers who had gone quiet.

1,750+

new subscribers in one off-season month

SPECIALTY FOOD BRAND

A referral sweepstakes added 1,750+ subscribers in a single off-season month, with no purchase required.

Referral is not only for the checkout moment. Creative mechanics keep it working year-round.

YOUR TURN

Turn your customers' trust into measurable growth.

The brands in this report didn't out-spend their competition. They built the system that lets their customers vouch for them, in the moments and channels people already trust, and then they scaled it.

See what a Friendbuy-powered referral program could do for your growth.

[Book a 20 minute consultation](#)

