



Marketing Financial Services

Financial planning has been a hot topic for the past decade. A minority of accounting firms have done a great job at creating wealth management divisions that serve their clients extremely well and extremely profitably. Yet as the baby boomer generation starts to retire, we stand on the verge of an extraordinary opportunity...and many firms are not well positioned to capitalise on it.

ING recently reported that 41% of boomers believe planning for their financial future is more difficult than the generation before them. One reason for that could be that their advisers are not doing a great job in making it easy for them.

Research predicted that in 2006, professional service firms and financial institutions in the United States would spend \$5.4 billion trying to understand their clients. For the most part, those firms are under-utilising technology and have no idea what those clients want or need. We would suggest they could do worse than get focused on the high net worth clients within their client base. Here are some practical ideas to help with that:

1. Segment your Client Base

Get very focused on those clients within your client base who have or are likely to have a future need for an integrated wealth management service. This is not the same as rating each client A, B, C or D (although that is a useful exercise as well).

The purpose of segmentation is to target marketing messages and focus on the needs of each grouping. Here is an example of how you might go ahead segmenting your clients:

- Professionals – Doctors, Lawyers, etc.
- Retirees – Professionals, Business Owners, etc.
- Business Owners – Sole Proprietors, Partnerships, Multiple Businesses, Companies, etc.

Our recommended approach is to define the main focus groups (in this case, professionals, retirees and business owners) and then sub-groupings within each grouped as appropriate for the makeup of your clients.

Once you have segmented your clients, you are able to keep very focused on the key segments and target your marketing accordingly.

2. Bundle services

Work with your clients to develop a clear understanding of what you must offer to address their needs. Then, work with other advisers to package bundled services that fit the bill. A bundle of services is inherently more valuable than an array of individual services because it can provide a comprehensive solution to clients' needs. You can play a major role in project managing the delivery of the services. As you work through this process, however, remember that your product or service "bundle" should be unique and customised to meet the needs and desires of your client segments (and individual clients within those segments).

3. Run seminars

Over the past ten years, we have run hundreds of client advisory boards for accounting firms, asking the best clients of the firm to talk about what they would like from their accountant. Regularly, those clients tell their accountants through these forums two things in the area of education and communication:

- We don't know all of the services that you offer
- We'd like more relevant information from your firm.

Both of these issues can be addressed by running seminars to educate your clients. Partner with other relevant advisers to create relevant seminars for each client segment to educate them on the wealth management solutions you can provide. Then offer a free consultation to diagnose their current position. Take advantage of that time with your clients to position yourself right in the centre of the "concierge" or gatekeeper approach – as the person who is going to coordinate the delivery of a suite of bundled solutions to address their needs.

4. Use Financial Newsletters and Assessments

If you want to be seen as a wealth manager, you need to ensure that all of your marketing collateral is viewed in that light. You cannot have credibility as a wealth manager if your newsletter focuses on accounting standards. If you do not have the expertise to create a relevant newsletter in-house, invest in one to help with your positioning.

Likewise, think about how you can use technology to better position yourself and uncover opportunities. At ReNew Group, our clients use our web-based client intelligence solution to help uncover their clients' financial planning needs through the use of customised wealth management assessments. Web-based solutions help you leverage your time as well as quickly identify the low hanging fruit.

5. Brand your firm

Take a long, critical look at yourself and your firm. What do you see? An accounting firm or a wealth manager? Ask a friend whose opinion you value to drop by your office without an appointment and ask to see someone about wealth management. See what sort of experience they have - does your office look and feel like a wealth manager's office – were they appropriately routed to the right person? Did the person in your reception area understand their question? Or did the place look more like the stereotypical accountants' office?

What do you think your clients' and prospects' perception is when they walk through your front door? Do they immediately gain confidence that the people who work in this place have high energy, appear to be organised and working to pre-defined systems and have a focus on helping...or is it quite the opposite? (By the way, a great way to find out the answer is to hold a client advisory board with a selection of your high net worth clients and prospects).

6. Establish a network of advisers

To offer a concierge approach to wealth management services, consider the whole range of opportunities that may present themselves. Here are some examples:

- Retirement planning
- Property investment

- Business investment
- Shares and derivatives
- Estate planning
- Succession planning
- Asset protection
- Risk management
- Loans and leases
- Venture capital

You cannot be an expert in all of the above, but as the trusted advisor, you can play a major role in project managing the delivery of the services. To do that, you need a network of advisers around you with the relevant expertise. Start to form relationships with financial planners, bankers, lawyers and insurance brokers to build your network.

7. Invest in tools, portals and financial planning solutions

Using defined systems, resources and processes with a proven track record increases your efficiency in delivering wealth management services and also increases your clients' confidence in your ability to deliver those services. If you are searching for a dealer group, ask them about their platform and the tools, portals and solutions they use. Ask for specific examples of how their member firms have benefited from using their solutions and why they are better than the competition's solutions. In particular, look for web-based solutions – time is a scarce resource and the ability to leverage the web can be a big advantage.

8. Bring your advisers in house (i.e. self contained model)

If you are serious about delivering concierge services, consider the self contained model of bringing your adviser network in-house. This can help with positioning, response times, running seminars and showing your clients that this is a major focus for you. When you move to the self contained model, it is clear to everyone, internally and externally, that you are truly in the wealth management business.

To conclude, there are many high net worth people out there who need help with their financial affairs. We'll wrap up with one final startling statistic: Boston College Social Welfare estimates that there will be a \$41 trillion worldwide wealth transfer opportunity by 2052. How are you positioned to help your clients and in the process see your firm enjoy the benefits? Following our eight step approach can move you in the right direction.

End note: Colin Dunn is a director of ReNew Group Pty Ltd, based in Queensland. ReNew Group helps professional service firms market and promote their services. We do that by helping you to identify what your clients need, develop a range of services to address those needs and then build strong relationships with clients to help clients acknowledge their needs and engage the firm to assist.

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