

SELECTING THE RIGHT NEW CLIENTS

By Wayne Cotton, CLU

While we all know that building a clientele is the key to business success, the number one issue facing most financial advisors is how to get in front of enough prospective clients. This was the biggest roadblock and frustration when I started in this business forty years ago and it is still the biggest challenge for most advisors today.

In the old days, the focus was how to get your foot in the door. While the title “financial advisor” should have people knocking on your door, that is not the reality for most advisors.

So how do you get properly positioned in front of the right prospective clients? There are several things to consider in the process of professional client acquisition, but the foundation is built around your approach to marketing.

TWO TYPES OF MARKETING

There are two major types of marketing; attraction marketing and precision marketing.

With attraction marketing, you do everything in your power to make your phone ring. It includes any form of advertising or promotion including seminars, direct-mail campaigns, radio shows, lead-generation programs, client appreciation events, newsletters or leads from the Internet. Yes, it sounds exciting—and in my experience it can be great when you get it working. But attraction marketing is time consuming and expensive.

Here's a huge consideration: attraction marketing generates a flow of many poor prospects along with a few great ones. A ringing phone spews diffusion and massive diffusion is the number one enemy of productivity. Diffusion limits your true capability and causes your growth to plateau while eroding your time freedom.



“You don’t have to be a seasoned prospector to skilfully find, sift, sort and select the right people to become your clients.”

With precision marketing, you define your ideal client profile and then focus your energy on finding and selecting the right prospective clients that fit your best case scenario. Instead of spending all your efforts on trying to make the phone ring, you build new relationships through trust-based introductions from one client to the next.

I struggled for years with the critical task of getting in front of enough of the right prospects before mastering both attraction

and precision marketing. I came to the conclusion that the free energy created by a formal prestige introduction to the right new prospects is far more powerful than any inbound calls. Precision marketing is predictable, professional and delivers new prospects with ease and prestige.

Regardless of which form of marketing you choose to implement, the main goal is to find a way to develop an adequate flow of the right new clients. You can't handle too many new prospects any more than you can take a drink of water from a fire hose. Yet too few means you can't live up to your potential.

ASSESS YOUR CAPABILITY

Let me introduce you to a very interesting exercise. Determine what your life would be like if you could find and select the right new clients. Complete the worksheet at www.MyCapabilityGap.com to determine the gap between where you are right now and where you could be if you could get in front of enough prospects that fit your ideal profile.

The size of your gap might shock you into seeking solutions you can implement to help you dramatically grow your results with less fuss, fanfare and financial expense. You'll see that you can accomplish far more in less time by getting in front of the right new prospects.

When you master the concept of precision marketing and the processes of professional client acquisition, you have the ability to sift, sort and select the right people to invite into your clientele.

Invite into your clientele?

Yes, when you establish an adequate flow of ideal prospects you can be more selective about the people with whom you choose to do business with. This choice is one of the most fabulous features of the business. You can build a clientele that is filled with the type of clients you will enjoy working with for years.

There are plenty of prospects.

There is no need to struggle with the Law of Scarcity. We intuitively know there are prospects everywhere, yet most advisors don't have enough people to see. The reality: there is no shortage of prospects, only a shortage of strategies to help you find and select the right ones to invite into your clientele. You must learn to develop a flow of people that fit your profile.

There are many benefits to mastery of low-tension precision marketing and the processes of professional client acquisition:

- Your hopper will be as full as you want it to be.
- You'll be able to find the exact people you want.

- You will get in front of the right people more easily.
- Your low-tension approach will cause people to be more willing to see you.
- Your call reluctance will fade, because prospects are more receptive.
- Your discovery preview format will set the stage for your services.
- Your prospects will quickly open their minds to the value of what you deliver.
- Your revenues will climb quickly, because you are selecting the right people.
- Your costs will go down, because referrals and introductions cost you nothing.
- You have the ability to gain more time freedom.



Professional Client Acquisition

Here are five key elements in the philosophy of precision marketing and the processes of professional client acquisition that can help you find and select the right new clients:

1. Know your ideal client profile. You must have a clear identity of those situations where you have competence, confidence and can generate consistency in results. When you know what you want, you can say no to what you don't want.

Focus on finding people who fit that profile for one year and do your best to sidestep all other situations. Re-adjust your profile annually by evaluating your top ten revenue generating client situations. Then determine the similar seven to define your new client profile for the next year.

2. Prospect on a referral only basis. When you share the five to seven characteristics of your ideal profile with your clients, they become a filter to help you identify only people that fit your profile. The only way you can find people that fit a very specific profile is through the eyes of another human being.

Referrals are incredibly valuable because they help you cross a trust bridge from one relationship to the next. Trust is the most important aspect of a new business relationship. You can spend a fortune on fancy branding, extensive advertising, expensive promotion, and a fabulous website, but nothing comes close to the level of trust that is gained when a satisfied client introduces you to a close friend or business associate.

Here's the catch to effective referral prospecting: never use the word "referral" with your clients, it's a dirty word to some people, including many advisors. Learn to master the skills of professional referral prospecting without mentioning the "R"

word so you, your clients and your prospects can become more comfortable with the process. Keep the “R” word for internal talk with your industry friends and associates but never with your clients.

3. It isn't enough these days to get a referral and make a call. People are bombarded by pitches from all directions. When you call without a proper introduction in advance, you dramatically reduce your chance of meeting face-to-face.

The most effective introduction is a handwritten note on the front of a well-designed introductory brochure sent in an envelope that looks like an invitation. Here's some more advice: Don't make the brochure a big build-up and bio about you. That's comes across as another pitch. The emphasis must be focused on the formal and professional introduction of one party to the next.

Don't fall in the trap of thinking an e-mail works just as well as a pre-approach. Our research shows it is far less effective and reduces your conversion ratios. We know what happens with emails in our inbox—we take a quick glance before we hit the delete button or simply move on to other things. A handwritten note of introduction is different; it catches a prospect's attention and positions your call for success.

And what about the Do Not Call legislation that lumps financial advisors in with hard-nosed tele-marketers? I have worked with many organizations in the United States and Canada that have been dealing with DNC challenges for quite some time. There are several ways to deal with the legislation. In the U.S., for example, one of the simplest solutions is to send your introduction brochure to your prospect's office address.

4. When contacting prospects, stop asking for full blown initial meetings. Schedule a twenty minute discovery preview, not a full engagement meeting. That comes after you have completed your client selection process and know for sure you want to invite these people into your clientele. For now, keep it simple, regardless of your temptation to charge ahead.

After all, the chance of you getting an initial appointment is reduced in direct proportion to the amount of time you ask for. So ask for only twenty minutes and stick to it. You'll be amazed at how easy it is to get people to agree to this simple request, especially when they were introduced to you by someone they know, like and trust.

5. The twenty minutes is not about you, your credentials, your services or your intelligence. Ditch the pitch and remember that if you crossed a relationship trust bridge, you can focus on the prospect instead of yourself.

I used to think it was important to impress people by showing them how much I could help and why I was the right person for the job. But when I built my very first self-discovery questionnaire more than three decades ago, my initial approach changed forever. I learned to use a multiple choice questionnaire that helps people discover their issues quickly. Now thousands of advisors use this powerful technique to open the minds of their prospects.

When prospects understand their present negatives, they become a lot more interested in getting involved with the future positives you offer. It makes them want to seek solutions to their issues, rather than resisting what may be perceived as just another pitch.

The questions must be thought-provoking and the multiple choice answers must allow prospects to choose their answers. When they identify their own issues and priorities they don't feel any pressure from you. Prospects open their minds to the help you can deliver and don't feel like you took any intrusive steps to put your foot in their door. And in the end, this low tension way of doing business leads to many introductions to others that fit your ideal client profile.

I started working on this five-step client selection and acquisition process 35 years ago and have continued to perfect it over the years. What is so fascinating to me is that the low tension method of finding the right new clients works better today than it ever has.

In today's world, you must implement strategic concepts, processes, systems and tools, using philosophies that are in tune with the consumer's way of thinking.

Master your ability to sift, sort and select the right new clients and you will never have to experience the pain, frustration and anxiety that comes from the old ways of doing business. People will open their doors to you and your services and you will feel like a professional that has the right formula for future success.



About Wayne Cotton, CLU

Wayne Cotton, CLU was a qualifying member of the Million Dollar Round Table, Court of the Table or Top of the Table for 21 of his 28 years as a financial advisor. He has given over 1,000 industry talks and presentations covering 16 countries worldwide. He is the publisher of the Cotton Client Acquisition System™, used by many newer and established advisors to build a referral based clientele.

Wayne also publishes training programs used by mentors and managers to accelerate the growth of new and developing advisors.

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