

Relationship-Building Strategies--Part Three

C. Marie Swift | 09-01-04

This is the last installment in a three-part series on improving client communications. In parts [one](#) and [two](#), I provide six strategies for keeping in better touch with your clients and several examples of how other advisors work to constantly reinforce the relationship and remind clients of the value of the services they provide. Jumping in where we left off, here are some additional thoughts on how you can build the best relationships with your clients.

Make Sure the Shoe Fits

In developing your client-communications program, keep in mind that each client is unique. "High touch" clients will thrive on 24 to 36 contacts a year, while "low maintenance" clients will want substantially less contact. As we discussed in part two, you need to determine the type of contact your clients prefer--and the frequency with which you should be contacting them.

To properly tailor your communications to each client, you'll need to analyze your client base and categorize them in some way. Segmenting clients into groups like "platinum," "gold," and "silver" (or A, B, and C) is a business-analysis strategy that helps you determine where your best revenue generators are.

A more client-centric strategy would be to flip the analysis around; think about the types of clients you have and what their needs are. For your client-communications program, you might group clients by number of contacts. For instance, high-touch clients might be placed on your "contact-36" list, and low-maintenance clients might be placed on your "contact-12" list.

To ensure you are getting through to your clients, use a combination of techniques and materials. Establish a list of all your client-communication methods, including what you'll be doing and how often to do it. Methods can include quarterly or annual meetings, phone calls, newsletters, private dinners, golf tournaments, client-appreciation events, e-mail updates, etc.

For a menu of choices and ideas to help you create a "contact-36" or "contact-12" list (or anything in between), [click here](#). Remember, the more you meet the needs of each individual, the better off you and they will be.

Roll Out the Very Best

It goes without saying that all your client communications should be top quality, both in content and appearance. Pay attention to all the details and put yourself in your clients' shoes.

- Would you want to receive this communication? Is it unique? Does it provide value? Is it solid information?
- Does the communication show that you respect the client's time?
- Are your phone manners and voice the very best you can do? When phoning are you first checking to be sure that this is a good time for them to speak with you?
- Do you use a phone script or agenda--with goals--to ensure that your call is useful to both you and the client?
- Do you have a strong mental image of the client in your mind before you write the communication or pick up the phone?

Be sure you are adding value. Make it worth your clients' time to read what you're sending or to visit with you on the phone. Also, be careful that you don't overwhelm people. You don't want to suddenly go from two to three contacts a year to 36 contacts a year, or start barraging people with e-mail that seem pointless and self-serving.

Build up slowly if you are transitioning from infrequent communication. Or send a letter letting clients know that, due to feedback from your recent survey or advisory board, that you'll be sending a variety of new communications to better serve them and reinforce key ideas.

Do a Reality Check

While a number of vendors offer turnkey solutions, the advisors in my Success Survey prefer to write and produce their own materials or to engage the services of a relationship-oriented marketing consultant. If producing custom materials is cost prohibitive, do look for the best turnkey materials but find ways to customize them so that they more accurately reflect you, your values, and your brand.

Whether you produce your own communications or outsource, you should always run your ideas and materials by your team and advisory board (usually a group of trusted clients and colleagues who will gladly volunteer their time and opinions). Using a trusted inner group for feedback can save you from making costly mistakes. We are all legends in our own minds--until we get a reality check.

In addition, you might engage a communications specialist for advice and to review your materials. These additional steps can help you sidestep embarrassing errors and deliver the best quality communications.

Rod Carson, principal of [Spectrum Wealth Advisors](#) in Overland Park, Kan., has been using an advisory board for years. In fact, he has three advisory boards, all made up of clients. Each board represents one of his three market segments.

"We meet quarterly to discuss service, product and communication ideas," he says. "These meetings have strengthened our relationship and helped me provide better services and solutions to my entire clientele. Ultimately, my advisory board members become ambassadors to my company and provide me with referrals to ideal clients."

Case in point: Carson recently engaged a graphic designer to create a brochure for the firm. "Overall, it was a nice brochure, but there was something bothering me. When I showed the mock up to my staff and my advisory boards, they just weren't impressed. The nature scenes and motif were pretty--lots of sunset colors--but people weren't connecting with our message and getting our commitment," Carson says.

He got a second opinion from a marketing consultant to help him pinpoint what was wrong. In the end, they determined that the brochure was communicating the wrong things. The visual images created feelings akin to those a travel agency or retirement village might want to evoke--not the what you'd want for a financial-services firm.

"Eventually, we could all see that the brochure said goodbye--not hello," says Carson, who hired a new design team to strengthen the layout, visuals, and message. "The redesigned brochure builds on the brand I've already established. We've created a first-class brochure, with a compelling message and strong theme. I'm glad we didn't print the first one," he says. "What a waste that would have been."

Engage the Law of Reciprocity

Sometimes a simple gesture can produce results you didn't expect. David B. Magayna, an advisor with [Gemini Financial Services](#) in Odenton, Md., didn't expect to gain anything when he sent a floral arrangement to his public library.

"I read in the local paper that April 22 was National Librarian's Day," he explains. "I've always been a voracious reader and use the library frequently. I sent the library staff at my local library a small flower arrangement from my company and me and simply thanked them for doing what they do. In addition to genuinely appreciating their efforts day in and day out, I hoped that the library staff would become interested or knowledgeable about my new firm.

"Well, they placed that flower arrangement, with my card clearly visible, right next to the checkout area so that every library patron signing out materials could notice it. What a surprise that was to me. I couldn't have asked for more exposure for a simple \$40 expenditure," he says.

While Magayna has yet to receive any business from the exposure at the library, he

has spoken to one of the librarians about his company and what he does. He's happy that the gesture built some goodwill and attention and "knows the business will follow." He's received referrals from his chamber of commerce and Rotary affiliations and says it pays to be active in the community.

Remembering your clients on special occasions--with even a token of appreciation and friendship--can produce similar, unexpected results.

Scott Maxwell, an advisor at [The H Group](#) in Portland, likes to send his clients magazine subscriptions. He uses a service called [In Touch Marketing](#), which gives him a quick and easy way to add several meaningful contacts to his annual client communications program. First, the recipients receive a gift card, handwritten by Maxwell, to announce the magazine's arrival; this is a chance for Maxwell to pen a few lines of appreciation.

"It doesn't take much time to send a note, but it makes a big impact," he says. "I find the time to handwrite my own notes, but some of the advisors I know dictate notes or type it out and e-mail it to their assistants to handwrite for them."

Over a year, the client receives 12 first-class magazines. Maxwell says he typically chooses *Food & Wine* or *Travel & Leisure* for his clients; he's not interested in sending a magazine that competes with him by providing financial advice, and a leisure magazine helps his clients see him as someone who is interested in more than just their money. "I'm interested in their total well being and quality of life," he says.

What makes the In Touch Marketing Program unique is that clients also receive quarterly, customized messages from Maxwell--printed on an insert that looks just like the magazine's cover and bagged, so his personal message is in clear view upon arrival. Maxwell uses the subscription service to welcome new clients, thank existing clients for their loyalty and referrals, and build share of mind with important prospects and centers of influence.

Maxwell uses the online system to order subscriptions and compose the 700-character messages. The service sends him an e-mail a few weeks before the personalized issues go out, so that he can add seasonal messages or customize what each client sees. The cost per recipient is about \$40 per year.

Herb Drew, principal of [Drew & Buehler Financial Services](#) in Forest Grove, Ore., likes to give out branded items to people around town. This year, he's planning to stock up on write-on/wipe-off white boards that stick to the refrigerator, small note pads, pens, and letter openers. Next year, he may add golf tees, golf towels, ball caps, and polo shirts to the mix.

"It just feels good to hold out your hand and say, 'Here's a small token of my appreciation.' Ultimately, we want our company information at our clients' fingertips, in their homes and in their workplaces, so it's easy for them to pick up the phone or refer folks to us," he says. "We try to provide something useful so that the item is not buried in a drawer or thrown away. There's always a chance one of their friends or colleagues will see and comment on the item. This gives our clients the perfect opportunity to speak about us in a positive way. And the gift, though small, reinforces the fact that our clients are important to us," Drew says.

Pauline Price, principal of [Northdale Financial Planning](#) in New York, had hundreds of square jar grippers made up. "They're silk-screened with my logo, Web site, and a message," she says. "I specialize in working with middle Americans, so I really like the idea that my clients are reminded of me when they are getting a snack or making dinner," Price says. The message on her jar grippers is "Get a Grip on Your Finances!"

Put on a White Hat

Jamie Milne, principal of [Milne Financial Planning](#) in West Danville, Vt., (who will be serving as NAPFA's chairperson beginning in September), reminds us that effective client communications should also include some form of community service.

"I joined Rotary in 1997 and did all the Rotary stuff, including being president of the Barre Club. Though the number of clients that I can directly relate to my participation in the club are few, about six, it is a great way to get to know many of the business people in the community and to build credibility with your existing clientele," says

Milne. "Being active in the club also connected me to and got me involved in various community fund-raising events and dinners.

A word of caution, however, to those who may erroneously think that joining a service club should serve the same purpose as joining a networking group: "If you do not feel the need to give something back to your community, then a service club is not for you," says Milne. "But if you do sincerely want to contribute and be of service, then there are likely to be some added benefits in relationship to client acquisition and retention."

Connect with Purpose

After reading part two of my relationship-building article, Martin Siesta, a senior financial planner with The Wealth Planning Group in Cranford, N.J., told me: "As a financial life planner, I have found that a high level of client satisfaction comes from plans that are based on clients' values. For the plan to be successful, there must be significant input from the client in terms of generation of solutions and participation in the entire process. All too often, this comes from the advisor only. The result, very often, is that clients do not implement the plan--in fact, they may even sabotage their plan unless they have a sense of full ownership."

A registered life planner through the Kinder Institute, Siesta stresses that client and planner should work together to develop a list of agreed-upon actions that the client will take (including a checklist complete with time lines). Siesta actually contacts his clients each month to check on progress and make any modifications that may be needed. "This helps form a bond of trust between client and advisor," he says. "Because there is shared responsibility, it puts the emphasis on an emerging partnership between them."

As a result of this relationship-building focus, Siesta has cultivated a group of clients who provide a stream of unsolicited referrals to him. More importantly, he's created clients for life. "The work I put into building the relationship is my marketing program," he says.

"The Evoke methodology taught by the Kinder Institute," he says, "maps out the entire process for planner and client. It involves significant involvement, from both parties, in the planning process. Before taking the Kinder courses, I had used the traditional approach to planning with my clients--and I have to admit I had not been terribly successful during the implementation stage."

By using the Kinder approach Siesta says he has been able to successfully help clients implement and stick to their plans. "It's just an easier process--with long-lasting commitment--when the client sees that they are embracing their most heartfelt aspirations. And when people are empowered by their relationships and the choices they're making, they just naturally want to tell other people," he says.

Create a Roadmap for Success

Effective communications require organization. If your current system does not make it easy for you to automate tasks and track results, you may wish to review [tips and recommendations](#) from Joel Bruckenstein, MorningstarAdvisor.com's technology editor. Whatever system you use, you'll need to map out your plan to deliver outstanding client service--and high-quality, frequent communication should be a central part of that plan.

There's an old saying that goes, "Ignore your teeth, and they will go away." While dental hygiene and client care are not quite the same thing, ignoring either can have unpleasant results. In this business, building healthy client relationships is essential. If you develop a solid plan and stick with it, you will build rapport, secure client loyalty and make yourself more referable. When you do things to build and enhance your relationships, everyone benefits. Make sure you are doing the right things throughout the year. Take a systematic approach to cement current business and stimulate referrals.

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