

Your opportunity to reinforce your value

This paper will present strategies under three key areas:

1 Building client loyalty and understanding what your clients value

2 Regularly reinforcing client relationships

3 Demonstrating your value by showing clients what you do

Key takeaways

- Advisors can build awareness of the value they bring through a number of communication practices and business strategies
- Engage clients by asking the right questions
- Have a service agreement – and surpass it
- Advisors are always in discovery – annual meetings provide opportunities to learn more, improve service offering
- Ensure that your clients are aware of everything you are doing for them – by having a niche, using stories to illustrate your solutions



1. Building client loyalty and understanding what your clients value

At any given time, you are engaged in activities to attract, satisfy or retain clients. And while you are engaging in these activities, clients (or potential clients) are in a position to make decisions. Prospects can choose to partner with you. Clients can choose to switch to a new advisor. They can choose to increase or decrease their share of wallet with you. They may even choose to refer friends, relatives or colleagues to you. As an advisor, it's important to be aware of these potential positive and negative client decisions, especially when the conversation focuses on advisor compensation.

In order to give your clients what they want, you have to understand what they value. Here are some strategies.

- Engage clients in the business by asking the right questions
- Give clients a say in how you act in your business so they have part ownership of the service results
- Start asking some of the strategic questions highlighted in Table 1”

Your clients will come out of meetings saying, “Wow, this advisor really understands me.

TABLE 1
Strategic questions for better client meetings

Read through this conversation menu and select those that apply in the right circumstances.

QUESTION	IMPACT
What would have to happen over the next three to five years for you to feel like this has been a worthwhile relationship?	Pose this question to new and existing clients – it shows that you are looking to build your service model around their needs. Their answer will allow you to manage client expectations over time. It can also provide you with the opportunity to promise a level of service and then exceed it.
What can I do for you that no advisor has been able to do for you before?	Strategically, advisors should ask themselves, “If I were not around today, would my clients be able to walk across the street and get the exact same thing?” By asking your client this question, you will be equipped with information to position yourself so your clients will not be looking to visit your competition.
How can I be a better advisor?	Try to ask this question at the end of a client meeting. This gives the client an opportunity to review and evaluate. And, it shows that you want to serve them better in a way that is important to them.
Other than investment returns, what’s important to you about our relationship?	Asking about important variables in a client relationship other than investment returns allows the client to show you what they are expecting over and above returns. It takes the focus off performance as the only measure in the relationship.
If you could pick the most important attribute in a financial advisor, what would it be?	By asking this question, you can reinforce how you act in the relationship. For example, the client may respond with “transparency”. This is a good opportunity to have the fee conversation.



QUESTION	IMPACT
What level of involvement would you want to have with your investment approach?	A client who wants greater involvement in the investment approach will let you know. This allows them to take part ownership and accountability for results that come from the chosen investment solutions.
What's your top concern right now regarding your financial well-being? What's changed in your life since we last met?	Make a habit of asking this question at the start of every client meeting. It focuses the discussion on the client and their life, rather than on product, the economy or the markets. By positioning yourself as an advisor who helps navigate clients through life-changing events, you reinforce that it really is about "them" and not the "product". Asking this question will allow your client to place a concern on the table right away and lets you add value immediately with your solutions.

Have a service agreement – and surpass it

Part of the process for engaging clients is to create a commitment and partnership agreement. This agreement promises a level of service to clients, while outlining client responsibilities. During each annual review you can ask clients, "If you remember, last year we outlined everything we were going to do for you. (Here is a copy)... Mrs. Smith, for everything that we promised we would do over the last 12 months, have we followed through on our promise?"

The goal is to promise a level of service and then exceed it. This process allows you to manage client expectations and get valuable positive feedback from clients to help build loyalty. A commitment and partnership agreement includes the following:

- Frequency of face-to-face and telephone contact
- An outline of your solutions (to increase client awareness)

- Your response time for client inquiries, calls and requests
- Your problem resolution time in the event of an error. It is important to note here that taking accountability for mistakes helps to build trust in the relationship.
- Your team (internal and external) and their responsibilities to the client
- The standard client education initiatives for a year
- The education initiatives for the advisor's professional growth
- An explanation on how you will ask for client feedback. This demonstrates your commitment to improving service.
- Client commitment to full disclosure, being true to the plan and to keeping you informed of all life-changing events so you can help them navigate through each one. Include a list of life-changing events to help them identify when it is important to contact you for help.



2. Regularly reinforcing client relationships

There are costs associated with the financial products you recommend to your clients. However, in the end, you are the product. If your clients “buy” you (i.e., see superior value in the entire package of what you deliver), they will buy the products, services, or plans that you offer. They will understand your value and be willing to pay for it. If they don’t buy you, it doesn’t matter what products and services you are recommending. Here are three activities to start immediately to help get ahead of the curve.

Make a habit of checking in with clients to see “How are we doing?”

Clients want to know that you take your responsibility seriously. The goal is to check in with clients to reinforce their decision to work with you. This is also important when engaging in new client relationships, where the new client may still have doubts about whether they made the right decision to work with you. Make a habit of picking up the phone to say, “Mr. Smith, we haven’t spoken since our last meeting at the office. I wanted to check in to see how we are we doing. It’s important that I measure your level of satisfaction regularly to make sure we are giving you everything that you need from us.”

Checking-in calls are useful in two ways: Any positive feedback you get reinforces in the client’s mind their

decision to work with you. Any negative feedback allows you to address the issue immediately before it gets out of hand.

Congratulate clients for their commitment to the process with a handwritten card

Send a handwritten card to each one of your clients who has been diligent about staying the course during the market volatility over the past few years. Congratulate them on their success. Here is a sample script: “I am writing today to congratulate you on your success in staying the course with your investment plan during the recent years of uncertainty. As your financial advisor, I appreciate your commitment to the process and our ongoing partnership. Thank you for your trust and confidence.”

Rediscover your clients on a regular basis

Your early meetings with clients, called discovery meetings, set the stage for future activities. To differentiate yourself, think in terms of always being in discovery. The goal is to know your clients better than any other advisor ever could. Think of the advantage this could bring. To build deeper relationships, continue to ask questions in annual meetings under the categories shown in Table 2:

TABLE 2

Always in discovery: How to get the most out of your annual client meetings

The questions below provide a blueprint for greater client understanding and more productive meetings.

CATEGORY	SAMPLE QUESTIONS
Values and ideals What’s important to them?	<ul style="list-style-type: none"> • What have we not discussed that is important to you? • What’s the most exciting thing in your life right now? • What is the one thing you worry about most regularly?



CATEGORY	SAMPLE QUESTIONS
Goals and objectives What do they really want?	<ul style="list-style-type: none">• Do you believe your current plan is supporting or sabotaging your vision?• Do you feel that any revisions are appropriate relative to your goals and objectives?• Which is more important to you, beating the market or reaching your goals?
Personal relationships Who do they care about?	<ul style="list-style-type: none">• Do you and your spouse or partner see risk the same way or differently? Do you ever argue about money? How do you resolve the differences? How often does it happen? What do you disagree about?• Has anyone in your family or close to you lost any serious money? If so, how did that loss feel to you? Did it affect your actions with regard to money?• How would you feel if you were unable to fulfill your financial goals regarding your family? How would you and your family emotionally handle a significant change in lifestyle?
The money Where are we now?	<ul style="list-style-type: none">• Will there be any significant changes in your income in the near future?• What about your living expenses – do you expect any significant changes in the near future? Would it be appropriate for us to assume each of your non-fixed living expenses increases with inflation every year?
Advisor process How do they want to work together?	<ul style="list-style-type: none">• What are your expectations of me? Has anything changed?• Are we communicating with you enough? How often do you want to meet with me and by what means?• Other than investment returns, what's important to you about our relationship?
Lifestyle How do they live? What are they passionate about?	<ul style="list-style-type: none">• What charities are you supporting now? Any changes? Why are they important to you?• What do you do most in your spare time? Anything new and exciting?

When asking questions, try to ask questions about “The Money” after you have had conversations about values, goals and relationships. This demonstrates that you understand the importance of the client as a person rather than as a revenue source.



3. Demonstrating your value by showing clients what you do

Shift the focus from investment performance to wealth management

Your goal is to be in a position to help your clients understand that they cannot do this without you. More importantly, you want to shift the focus away from the investment performance game. Investors and advisors can get preoccupied with short-term portfolio performance. There's a truism in financial advice: Win a client on performance, lose a client on performance.

Business growth comes from creating a process that shifts the focus from things you can't control (the market's performance) to things you can control such as:

- Wealth protection
- Wealth accumulation
- Wealth transfer
- Charitable giving strategy
- Tax savings
- Disability planning
- Providing a team of experts internally and externally to help your clients navigate life-changing events

These are things that really matter when it comes to creating and protecting wealth and legacy. The goal is to help you and clients stay focused on the factors that affect their overall wealth. Regularly measure and report client progress in these areas during your conversations to show your value.

Do your clients understand everything you can do for them?

The last thing you want to hear from a client is, "I wasn't aware you offered that service." When you help your clients understand everything you can do for them, they will understand the value they are getting for cost. Communicating what you do on a regular basis accomplishes three things:

- Helps to increase share of wallet as a result of increased awareness of your solutions
- Allows your clients to speak more intelligently about what you do to others in their networks
- Gives clients a better understanding of value for costs

Table 3 provides a list of strategies that help your clients better understand what you do.



TABLE 3
Helping your clients understand what you do

Each of the activities below represents a strategy to define and differentiate your business.

BUSINESS ACTIVITY	IMPACT
Work with a niche	<p>When you provide solutions to an identified market, one that you have a strong natural affinity towards, your perceived value increases. You become known as the “go-to advisor” in that market segment. In addition, niche marketing lets you allocate your limited resources – time, money and energy – more effectively. A niche marketing strategy includes four steps:</p> <ul style="list-style-type: none">• Identify your natural niches clearly• Perform research in your niche using your “insider” clients• Organize your business to attract and service your niches• Engage in credibility marketing by sharing client success stories <p>Help niche clients understand that they are part of an exclusive club by reinforcing the message of specialization in what you deliver: “Our services are offered to those that qualify and to those in their networks. Working with our team is like being part of a small, exclusive club.”</p> <p>Help niche clients understand that they have achieved something by working with you, by reinforcing that you are a team in building their financial success: “I’d like to take some time to tell you about what it takes to be a successful client in our business.”</p>
Engage in credibility marketing by using the “Power of Story”	<p>Make a habit of educating your clients on how you have helped other clients. Stories allow you to communicate the depth of your capabilities and show the value you add to clients. Include these stories on your website and in your newsletters. Share these stories with centres of influence, prospects and clients. Telling stories will also help your clients introduce you to people who share similar financial planning challenges. Think about a client that you assisted in overcoming a financial challenge. Write a story to illustrate your problem-solving skills, trustworthiness and resourcefulness as a financial advisor.</p> <p>At the conclusion of a client meeting, you can give the client a copy of one of your success stories: “Mr. Jones, I know you don’t have the time to read this right now, but I would ask that when you get home to take five minutes and read this story about some of the work we have been doing with our clients and how it has made a difference to their financial circumstances. I wanted to let you know that if and when the events in this story ever happen to you that we will be here to handle it. I also wanted to let you know that if any of your friends, family, or colleagues are experiencing a challenge similar to this right now, then please let them know that we can assist them, too.”</p>



BUSINESS ACTIVITY	IMPACT
<p>Strategically position yourself in the minds of your clients with your brand</p>	<p>Begin to strategize on how you are positioning yourself in the minds of your clients. Noted earlier was the importance of YOU being the product. What is your packaging? You can control the data inputs into your clients' minds.</p> <p>Your brand basically is: What your clients think they can accomplish if they partner with you. There are three ways to create a brand.</p> <ol style="list-style-type: none">1. Performance superiority (i.e., marketing investment performance)2. Operation excellence (i.e. marketing high levels of efficiencies and price discounts while providing little or no client customization)3. Client intimacy (i.e., understanding client needs, always exceeding expectations, customized products and services, constantly mining data and using information to excel) <p>Your brand is either reinforced or damaged at every client touch point. Create a list of touch points initiated by you and by the client over a specific time period such as:</p> <ol style="list-style-type: none">1. Your office experience2. The Financial Plan3. The performance of the plan4. Phone conversations/meetings5. Correspondence letters and emails6. Website functionality <p>Next, make a list of all the potential "Points of Pain": What is irritating, frustrating and confusing for a client. Ask yourself what you can do to reduce each point of pain and reinforce your brand at each touch point.</p>
<p>Reinforce what you stand for at each client touch point</p>	<p>Choose three words that reinforce what your business stands for. It is important to choose words that reflect the top three associations that you'd like clients to have when they think of you. Think about the top three ways you are important and relevant to your clients reaching their goals. If you are choosing "client intimacy" as your branding differentiator, your three words should be consistent with this. Evaluate your actions at each client touch point to make sure they are consistent. Reinforce these three words at each client touch point.</p>



BUSINESS ACTIVITY	IMPACT
<p>Test out clients’ awareness of what you currently do and what you can do for them</p>	<p>Create a list of all the life-changing events your clients could experience. List your solutions next to each event.</p> <p>This is not a product list, but more of an explanation of your process, or how you help clients navigate through each life-changing event. Test your clients’ level of awareness of what you do in formal feedback from your advisory council or in a one-on-one meeting. You can use some variation of this script: “Mrs. Smith, I want my clients to be prepared for both good times and rainy days. I’m going to run through a list of some potential challenges you may experience as a (retiree, business owner in succession, young growing family) and I will let you know what I can do to solve each one. I want you to let me know which solutions you are aware of and which ones you are not aware of.”</p> <p>You may be surprised that many of your best clients are not aware of what you currently do and can do for them.</p>
<p>Show clients who else you rely on for advice. Who is in your expert network?</p>	<p>It is important clients understand that when they work with you, they have access to a wide network of experts.</p> <p>This reinforces the depth of your team: “Let me explain the depth of the team of professionals we have both internally and externally and their history.”</p> <p>“I wanted to take a moment to show you a list of the top four investment firms that we build partnerships with. This is so we can provide you with the best access to information, investment, market and tax advice. I believe it’s important that you know this so there is an understanding of how deep our team is.”</p>

Summary

Start planning today to build client loyalty, reinforce client relationships, and demonstrate your value to your clients. With proper commitment and communication, clients will know that you are building a partnership that has their best interests at the forefront.

General inquiries

For all of your general inquiries and account information please call:

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