

Referral Marketing with LinkedIn New Rules for Growing Your Book of Business

By Dan Sommer
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Two-thirds of the global population is actively involved in social networks like Facebook, MySpace, and LinkedIn. Unlike Facebook and MySpace, which are more focused on social interactions, LinkedIn has quickly become one of the most powerful professional online communities for the business community.

LinkedIn has more than 35 million registered users, spanning 170 industries. Professionals can connect with colleagues, ask for introductions through existing colleagues, and take advantage of a host of other features to grow your business.

Getting started with social network marketing is easy. Patience and attention are required, but the yield can be fantastic. Here's a quick guide to getting started with LinkedIn—the premier professional network.

1. **First, generate a list of your existing contacts, including your clients.** Be sure to include their email addresses. If your contacts are currently in Microsoft Outlook or a similar email/contact management program, you can skip this step.
2. **Set up an account at www.linkedin.com.** (You can skip this step if you already have an account with LinkedIn.)
3. **Build and optimize your LinkedIn profile.** Highlight the practice areas in which you have expertise. Be sure to optimize your profile by adding the following information:
 - a. Your current position/practice area
 - b. Your past position (if relevant)
 - c. Your educational background

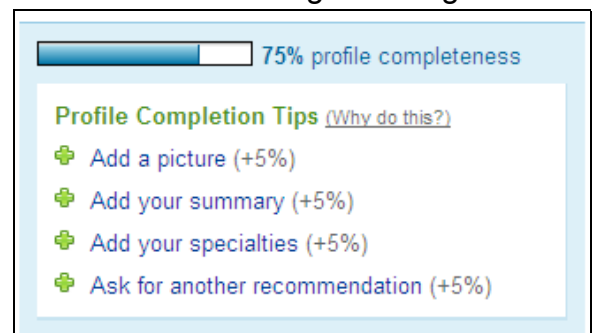


Figure 1: Note that Linked In will guide you every step of the way in completing a well-optimized profile.

- d. A summary/an elevator pitch that best describes your primary areas of strength
 - e. Your photo
 - f. Your specialties, including areas such as estate planning or taxes
4. **Build your Network.** Use the search function to find your clients, friends, and colleagues—or import the appropriate contacts from your email program, such as Outlook. Add them to your network, which initiates an invitation to each of your contacts, which they will need to accept.
 5. **Identify your most loyal and highly networked contacts.** These individuals can provide the 'social currency' you need to seek introductions to their extended network on LinkedIn.



Figure 2: Linked In allows you to see exactly how you are connected to individuals who you would like to reach.

6. **Expand your network.** Once your contacts have accepted your invitations, you can begin to browse through *their* contacts. By using the advanced search bar in LinkedIn, you can find business owners, executives and other attractive prospects. Consider searching for

business owners or by titles such as CEO. These individuals should, in some way, be one or two degrees away in relation to your current clients. An individual is one degree away if your contact knows them, and two degrees away if your contact knows someone who knows them.

7. **Ask for an introduction.** Once you've identified a list of highly desirable prospects and those contacts who are the "gatekeeper" between you and these prospects, send a message to your contact and ask for an introduction. By using this tactic, you can quickly turn your current contact list into a rich source of high-potential prospects—all through making connections on LinkedIn.
8. **Stay active.** To achieve real success on LinkedIn, you need to do more than just connect with your network of contacts and their connections. Make sure keep your network active:
 - a. Publish a newsletter and share useful links with your network.
 - b. Update your profile as you join organizations and clubs to show your community involvement.



- c. Join groups based on your interests and areas of focus. There are over 400 investment-related groups alone! You can go well beyond

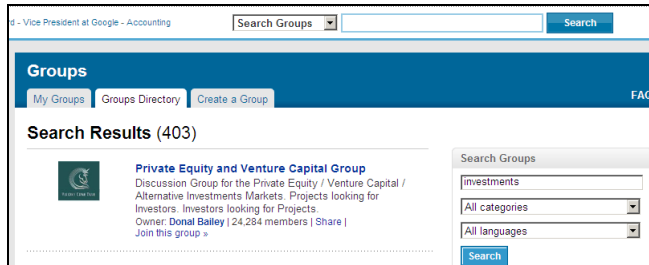


Figure 3: You can search by groups to locate opportunities to network by industry, school, interest, or key word.

your professional area of focus by joining your alumni group (if your alma mater has one), religious groups, and the causes to which you contribute.

- d. Participate in answering ques-

tions from group members.

9. **DO NOT use the “recommendations” tool provided by LinkedIn.** Rule 206(4) of the Investment Advisor Act of 1940 is clear. Financial Advisors are prohibited from using testimonials about themselves or their work in any way.

Most importantly, test the many unique features within LinkedIn to create a footprint for yourself and your practice. Once you master the basics, there are numerous blogs and forums that can give you the expertise to make the most of this important professional networking channel. You can find them by searching on Google under topics such as “LinkedIn Tips.”

Dan Sommer is CEO of Caridan Marketing Labs, an interactive and social media marketing firm headquartered in New York City. [Jefferson National](#) and Caridan are working together to create a suite of ‘New Rules’—practical marketing guides to help financial advisors capture the power of blogs, social networks and other new media to grow their business.

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