

A Marketing Guide for RIAs: Part 6 - Develop a Networking Strategy

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This is part six of a ten part series on marketing an RIA. Read [A Marketing Guide for RIAs](#) for a full overview. To view the installments in this series, select “RIA Marketing Guide” in the left margin.

Many advisors groan at the thought of networking as a way to generate new business. They think networking means they have to attend a [BNI](#) or [LeTip](#) breakfast meeting and exchange referrals with complete strangers – many of whom are engaged in multi-level marketing schemes.

In reality, networking is one of the most effective and inexpensive business development activities an advisor can utilize. By effectively networking, you can expect to see the following benefits:

1. Raise awareness about your business and expertise
2. Create new marketing and networking opportunities
3. Prospect for ideal clients
4. Develop referral sources
5. Build relationships
6. Create word of mouth marketing

In order to utilize networking, you need to have a well thought out strategy. Here are five steps to developing your own networking strategy to acquire clients and develop referral relationships:

Step 1: Define your target

There are thousands of networking opportunities available to you. The key to success is to create a focused strategy which ensures that you are spending your time and money wisely. The first step is to identify the people with whom you want to network. Networking without a clear focus will lead to frustration and failure.



You should network with two main groups: 1) your target market/ideal client; and 2) centers of influence (COIs) who can provide you access to your target market. Use the boxes below to list the people you hope to meet through networking.

Target Market

Examples: Philanthropists, Dentists, Divorced/Widowed Women, Small Businesses

Centers of Influence

Examples: Attorneys, CPAs, HR Professionals

Step 2: Identify Networking Opportunities

Once you have identified exactly who you want to meet, research where these people congregate. Don't limit your search to traditional networking events like BNI or Chamber of Commerce. Consider professionals associations, charitable organizations, social clubs, community groups, conferences and alumni associations, to name a few.

Networking can take many forms, including attending an event, joining an association and volunteering on a committee. The more creative you are in finding different networking opportunities, the less likely your competition will be there. If you aren't sure where to find your target market or COIs, use LinkedIn as a research tool. Find a prospect or COI in your network you would like to replicate and see which associations and groups they list on their profile. These may be organizations you should consider joining as well.

You may also want to consider attending casual events that are posted on Twitter (Tweet Ups) and Meetup.com. Once you have completed your research, use the boxes below to write down the networking opportunities you will consider attending to meet both your target market and COIs.

Target Market Networking Opportunities

Examples: Chamber of Commerce, [Social Venture Partners](#), American Dental Association, local tennis club, wine classes, Stanford Alumni Association, travel club

Centers of Influence Networking Opportunities

Examples: California Society of CPAs (CALCPA), San Diego Bar Association, Society for Human Resource Management,



Step 3: Create a schedule

Networking events should be included on your marketing calendar like all of your other marketing activities. Begin by setting a goal for how many networking events you want to attend per week or per month. A goal of one event per week is a good place to start for someone just starting to network. Then add the events to your calendar on a monthly basis. This will ensure that you are networking on a consistent basis. It is more effective to focus on a few groups and associations and attend their events on a regular basis rather than attend a wide variety of events one time.

Step 4: Create a follow-up system

Meeting your ideal clients and COIs is only one part of converting your networking efforts into clients. Most likely, meeting someone once will not result in a new client. You will need to create a system that ensures you are staying top-of-mind with your networking contacts. Ideally you should stay in touch on a monthly basis. To do this, you will need to utilize a combination of follow-up methods.

Check the methods below that you plan to use to follow-up with all of your networking contacts:

- Initial follow up call/email/note card
- Connect via LinkedIn/Twitter/Facebook
- Monthly/Quarterly Newsletter
- Schedule reminders in your CRM to call or email contacts on a monthly/quarterly/semi-annual basis
- Setup quarterly/semi-annual/annual coffee or lunch meetings
- Send invitations to client events/workshops

Step 5: Track your networking

Like all forms of marketing, some of your networking activities will be worthwhile while others will not. To measure which events are working and which ones are not, enter all of the contacts you meet into your CRM system or on a spreadsheet (see example below). Create a field or column indicating the contact's information, where you met, and when you met. On an annual basis, review all of your networking contacts and identify which activities produced the best contacts. If the networking hasn't lead directly to new clients, you can evaluate the effectiveness of your networking based on the quality of the contacts you have met. In other words, which activities have introduced you to the types of people you want as clients or the types of COIs who have access to your ideal clients? By noting when you met, you can begin to estimate how long you should expect to wait before your networking activities begin to pay off in the future.



Name	Contact Information	Date Introduced	Source
Jane Smith	jsmith@gmail.com	January 16, 2010	Tennis Club

Networking, like all good marketing, is a long-term strategy that requires a clear focus, a systemized approach and effective follow-through. If you create a strategy using this focused approach, you will find that networking will be one of your most effective marketing strategies.

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