



Five Strategies to Land a \$50 Million Client

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As a result of my talks and articles, I often get approached by advisors for advice.

This was a recent email from an advisor in Montreal working for an independent firm.

“My partner and I have been talking with a big prospect (\$50 million plus). We have met a few times and have got to the point where we are close to possibly working together.”



However, at our last meeting this prospect said the following:

“Look, your returns are matching my returns, and your level of service and the independence of your firm from the big banks is very similar to what I am currently getting from the four brokers and investment managers I currently deal with.

If I change to you, my accountant is just going to say this is yet another format and statement he has to interpret each month, with no clear advantage or differentiator, so why should I change?”

The advisor went on to write:

“So all else being equal, in terms of service standards and returns, what is the golden answer to the question of what is the competitive advantage that I can offer to this very big prospect?”

Establishing your point of difference

Before reading further, consider how you would answer that question.

And here was my answer to this email:

There are a number of possible responses to this question.



The fact that a prospect of this size is even asking this is a positive sign – it may be that he’s testing you to see how confident you are in your ability to deliver value above and beyond what he’s getting now.

Remember, things are never exactly equal on performance and service levels – the differences may not be huge, but there are always differences.

And remember also that when investors have this kind of wealth, there are often things beyond returns that concern and motivate them – your task is to find out what these are.

The challenge is to:

- Understand what’s really important to this client
- Figure out how you can deliver against the thing or things that drive him in a way that’s different from his current advisors
- Help your prospective client understand those differences.
- And finally make those differences significant enough to make the prospect willing to move.

Five possible strategies

Here are five thoughts for you to consider:

1. The next time you’re talking to this prospect, In a non-confrontational way, say:

“Normally, if people are entirely happy where they are, they aren’t open to considering alternatives.

So what was it that made you agree to sit down and talk to us?”

The answer to that question may be key in helping you move your conversation forward.

2. Even if the performance among the current investment managers and brokers is comparable to what you’ve been producing, chances are that there are overlapping holdings among the four existing accounts, resulting in more risk and less efficiency than necessary.

It sounds like his accountant may already be consolidating the accounts.

If none of his existing advisors have consolidated and analyzed all of his existing investments, you could offer to do so ... with a view to pointing out where there are opportunities to increase efficiency and where you could add value.



3. Earlier this spring, I wrote an [article](#) about a top producing veteran , featuring the four key words to remember when dealing with existing or prospective clients.

Those four words: “**Focus on big problems.**”

This advisor talked about really understanding the hot buttons that concern someone – whether they will be transferring his business to his kids, how much tax they pay, supporting a favorite charity or the concentration risk in their wealth.

In talking to a prospective client, one advisor determined that succession planning on a family cottage to minimize the tax bill was a source of stress.

He tapped into a number of resources to provide this prospect with ideas on this issue – he sent along a newsletter from a leading law firm, emailed a video interview with a tax expert outlining alternatives and also got a resource at another office involved.

That ended up being critical in helping accelerate conversations with this prospect and ultimately converting him into a client.

So you need to ask yourself: What are this prospect’s big concerns?

And then once you’ve identified those hot buttons, how can you respond?

4. You could suggest that instead of converting different reporting formats into a common format, this prospect’s accountant should establish a common monthly reporting format for each advisor this client uses, in addition to the standard reporting that they already provide.

There would obviously be additional work to prepare these reports each month – but for a client this large, the advisors should be willing to do this.

And you could offer to sit down with the client’s accountant to suggest some common formats that you’ve seen work effectively.

5. If all else fails, you could ask if you could stay in touch and send information that you think might be of particular value.

Then once a month, you can send an article or video that you can find on sites such as *Bloomberg*, *Thomson Reuters*, *Fortune*, the *New York Times* or *Forbes*.

Or you could use some of the videos that I produced for advisor use – featuring interviews with top names like [Niall Ferguson](#), [Jeremy Siegel](#) and [Robert Shiller](#).



This works even better if you tailor the videos and articles to this prospect's preferences ... stock market forecasts, issues around estate planning and family wealth transfer, interest rate outlook, economic projections and interviews with high profile money managers or top economists.

The best way to make this happen is to say "Here are ten areas where we currently provide our clients with information... which would be of interest to you?"

Those areas could include the topics above as well as the outlook for the dollar, tax savings strategies and charitable giving strategies.

Once a month, make a point of seeking out a report, article or video that addresses one of concerns this prospect identifies and sending this to the prospect.

Chances are that this individual isn't getting this kind of information from the advisors he's dealing with right now – and at some point one of the other advisors he works with will drop the ball and you'll be positioned as the logical successor.

This entails a lot of work – which is why there's a good chance his other advisors aren't doing this. You likely couldn't justify the investment of time for someone with a smaller account – but a prospect of this size merits a different level of time and energy.

I hope these thoughts are useful in helping you move forward with this prospect.

So that was my answer to this question.

Almost certainly, yours would have been quite different – which doesn't mean yours is better than mine or mine better than yours; it merely means that different people come at problems in different ways.

What is important is that whenever talking to a prospective client you focus on that key question – "How are you different?"

Even if prospects don't come out and ask that question directly, chances are that they're thinking it.

And your ability to provide a compelling response to that question will be critical to your success in converting prospects to clients.



Dan Richards conducts programs to help advisors gain and retain clients and is an award winning faculty member in the MBA program at the University of Toronto. To see more of his written and video commentaries and to reach him, go to www.strategicimperatives.ca.

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