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You Don't Know Jack!

By J. Phil Buchanan

Jack Ellington is a top orthopedic surgeon at Wynton Sports Medicine. This afternoon you, an experienced financial advisor, will meet Jack through a mutual friend who provides accounting services to the medical practice. Jack agreed to the meeting, reluctantly, as he had no interest in changing advisors. In fact, Jack is simply taking the meeting as a courtesy to the accountant. This means you've got fifteen minutes for a cup of coffee at the hospital — to do what? Sell Jack on your process? That is exactly what most very well meaning advisors believe they should do. And they couldn't be more wrong. Jack doesn't care about your process. Jack cares about Jack.

How do you connect with Jack in a way that shows you are unique? The answer is pretty simple: Get to know his profession. Getting to know a particular niche well can help an advisor gain a greater depth of understanding about clients and prospects who belong to that group, which in turn allows the advisor to connect easily, build trust and gain confidence. Capitalizing on niche marketing requires four steps. Skip any step and the level of success diminishes exponentially.

Step One: Define Obvious Opportunities

Perform a simple analysis of your top 50 relationships. What is their source of wealth? How did you meet them? Who are their other professional advisors (CPAs, attorneys, etc)? What industries do they work in? What hobbies/passions do they pursue? The key to success is to identify clients you like who like you back and who have financial circumstances that meet your target profile. The objective is to replicate your best relationships.

Step Two: Do the Research

A recent coaching client told me that he was interested in building an advisory practice targeting Midwestern agricultural specialists and farm owner-operators. A little bit of research revealed a lot, and here is just a fraction of it:

- The typical agriculture professional is 51 years old and plans to retire at age 67.
- 81 percent own their own farming operations (average 2,045 acres).
- 92 percent own their primary residence, and about 30 percent own investment/rental property.
- 92 percent are male, and 88 percent are married.
- 85 percent own life insurance.
- 58 percent are active in philanthropic causes & financially support them annually.

To gather this research requires several things: internet savvy, interest in the subject and a willingness to ask for counsel from those who know and understand the niche best — those who work in it and sell to it.

Step Three: Organize the Practice

Based on the findings of the research, an advisor must identify the kind of service that will attract the target niche. For example, using the example above, it is clear that knowledge of property management issues is critical to agricultural professionals. It is also imperative that every member of the team understand the workflow process for addressing the issues of the target market. This often requires reconfiguring certain duties and enhancing the skill sets of team members. It may also require creating alliances with virtual team members who have knowledge of your client niche.

Step Four: Refine the Branding of the Practice

Brand management is so much more than taking out an advertisement in the local paper. It is a concerted effort to be seen, heard and read by your clients and those who influence your clients. The message you deliver about your process, your resources and the client experience you deliver, should be consistent. There are a few ways to achieve this: (*Continued on back*)

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Attend gatherings where large groups of target prospects assemble. I once ran into an advisor friend at a popular vacation spot. She was there for a physician conference. Puzzled, I asked if her spouse was a doctor. She laughed and said, “No, but six of my clients are and 594 of my prospects are here at the conference!” Her six clients had helped her to schedule drinks, dinners and breakfasts throughout the week with prospects. As a result she landed four new clients from the conference.

Get in front of groups of potential clients, speaking on topics of interest to them. One of our coaching clients hosts a joint educational/seminar series with a local golf professional at his club. The club is home to a large number of senior executives from the health care industry, physicians, and entrepreneurs. The pro is a Top 100 Teaching Pro in the United States and a social friend of the advisor. The advisor and the pro coordinate their programs in a very unique way. It begins with common themes — if the financial advisor is discussing equity strategies, the pro is discussing the long game; if the advisor is discussing alternative investments, the pro is discussing specialty shots (rescue, punch-outs, etc). The sessions, which are limited to 16 people, wrap up with a round of golf. The series is in its fifth year and the 63 percent of attendees become the financial advisor's clients.

You also want to get your name in periodicals your target market reads. A top advisor in the mid-south has developed a unique niche among owners of packaging, shipping and distribution firms. At least four times per year, he has articles published in trade journals that are read by his target audience. The articles cover unique trends of the target industry, along with financial steps people in the field should consider. He routinely receives unsolicited inquires and requests for proposals from both individuals and corporations in his target industry.

Your Next Steps

Success and effort are positively correlated. Spend your efforts wisely. The markets have not been kind in recent months. Because of dismal performance and lack of consistent communication, many clients are extremely disappointed in their current advisors. Going forward, the level of scrutiny of an advisor will be on red alert. Now is the time to perfect your practice, to hone in on consistent clients and common sources of wealth. **Carpe diem!**

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