

Practice Management—Repositioning for Lift

Any time your practice undergoes change, you are presented with the opportunity and maybe the obligation to proactively contact affected clients and centers of influence (COIs). The change could involve something relatively tactical, such as adding a new specialist on your team, or a new product offering. Alternatively, it could involve a major strategic shift, for example, the shift from a commission-based model to a fee-based model, or the transition from an investment management model to a wealth management model.

Whatever the change, you have only one shot at making a new first impression with clients and COIs. At Cannon, we refer to that initial conversation as your Repositioning Statement. Getting it right can make the difference between lift-off or engine failure for your practice.

Segmenting

Before developing your Repositioning Statement, it's important to segment your client base effectively, to determine with which clients you should reposition. For example, if you plan to offer, in addition to investments, a wide range of products and services that includes insurance and legacy planning, you probably want to focus on those clients who are:

- Most likely to use and benefit from your new services;
- Most rewarding to work with on an emotional level; and
- Most likely to introduce you to others who could also benefit from your new services and are emotionally rewarding to work with.

Goals of Your Repositioning Statement

Once you've identified the clients with whom you want to reposition, it's important to be clear about what you want to accomplish with your Repositioning Statement. At a minimum, your Repositioning Statement should:

- Create client interest;
- Establish a vision for how you can add value to the relationship; and
- Set the framework for accessing client information, allowing you to better serve client needs.

Components of the Repositioning Statement

In general, your Repositioning Statement should accomplish three goals:

- Explain to clients that you are changing the way you work with them and are offering new and valuable services;
- Create a sense of urgency in the client; and
- Pave the way for a future meeting.

In essence, you are recreating your brand. In the past, the client perceived you as offering a limited range of products and services; now, your offering is more comprehensive. In the past, you were compensated strictly by commission; now you are offering a select group of clients a fee-based arrangement.



“Mr. Jones, I’m calling to let you know about a new service we’re now offering a select few clients. What makes this unique is... We are now able to offer this service because... In offering this new capability, we are supported by... We’re more than willing to tailor our new offering to meet your needs locally by...”

In delivering your Repositioning Statement, create a sense of urgency by relating the value of the service to changes occurring in the market place, the legislative environment, or to the client’s situation. There are reasons you have decided to broaden your product and service offering, add a specialist to your team, or change the way you are compensated. No doubt, some of the reasons relate to what you want to accomplish with your practice. But, there are also client-oriented reasons that have influenced your decision-making. Focus on the client benefits associated with the change.

“To better address the needs of our clients, especially in the wake of recent market volatility, we are now offering an array of managed accounts. There has never been a better time than now to consider the benefits of this approach because...”

Whether your Repositioning Statement is delivered in a letter, a brochure, or a phone call, it should create the expectation of a follow-up meeting.

“I’d like you to set aside about an hour for us to explore this new approach. This will give us a chance to determine if this is for you and if there have been changes to your situation that I should be alert to. How does next Wednesday or Thursday look for you?”

Don’t Overlook COIs

Your Repositioning statement can also be used with COIs. They need to understand how and why you’ve added new products or services or made another change in your practice. They need to understand how clients are benefited from the change and the type of client you now want to focus on. Only after they’ve heard your new branding message can they be relied on for introductions to the kind of client you now wish to serve.

Bottom Line

A purposeful, direct, and focused Repositioning Statement is the medium for getting out the message about changes in the way you do business. Used properly, it's that rare thing in life—the opportunity for a second first impression.

Practice Management and similar topics are covered in great detail in many of Cannon's professional development solutions. To find out more visit: www.cannonfinancial.com.

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