

**SYMMETRY ADVISOR STRATEGIES**

# Earning Impactful Referrals

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## Introduction

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Symmetry Partners is committed to providing you with industry leading investment and practice management solutions to help you earn more and better referrals.

Financial services is rife with publications and experts all providing anecdotes and “solutions” on how you can earn more referrals. This is a critical challenge, since most advisors are growing primarily through referrals and have made referrals a major focus of their client experience. To help you, Symmetry has looked at all the available evidence and best practices--and sifted out the noise and clutter--to develop a sound, Evidence-based approach to earning more referrals.



**Before we begin, let's look at some common concerns and myths associated with asking for referrals such as:**

1. Clients will feel uncomfortable or “put on the spot” if you ask
2. Asking for referrals may irreparably damage your advisor-client relationship
3. There is no good way to know which clients to ask
4. Clients are naturally resistant to providing referrals
5. It's best to either ask everyone or no one for referrals
6. Asking for referrals is always awkward and forced
7. Referrals are not worth the time and resources
8. Referrals only happen organically and are not influenced by your actions.

The truth is, 90% of advisors generate new business through referrals.<sup>1</sup> The key is finding the *right* clients and then educating them so they become advocates for your business.

**Through this guide, you will learn:**

1. How to profile your ideal referrers to find advocates
2. When to ask for referrals, and most importantly,
3. How to ask.

***Let's get started!***

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<sup>1</sup> <http://www.financial-planning.com/news/referrals-peak-carson-optiz-halloran-2673083-1.htm>

## Creating Your Ideal Client Profile

It's imperative that you identify your ideal types of clients when creating and implementing a referral system. Ideal clients have the potential to both help your practice grow and offer an enjoyable and fulfilling relationship experience.

### To identify and articulate your ideal client, you must:

- Segment your book of business and identify similarities among your top clients
- First focus on Demographics:
  - Your ideal clients' age, income, geographic location, marital status
- Next look at Psychographics:
  - Your ideal clients' lifestyle, behaviors, habits including personality, values, opinions, attitudes, interests
  - Finally, consider any niches or special commonalities, such as occupations, skills, organizations
- Create a clear and succinct description of your ideal client that includes these details as well as their investment/planning needs

### Remember:

The level of service and advice that clients receive directly relates to their willingness to provide referrals.



## Who to Ask: Ideal Referrer Profile

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Most advisors cite referrals as one of their primary business drivers as well as one of their primary areas in need of improvement. So how do you identify those advocates or people who are willing to spread the word about your value? Below are some common traits that have been found to correlate with this advocate mentality...

### Retired or soon to be retired

**Why:** These individuals may be the most likely to attend seminars or appreciation events, as they may be seeking new opportunities to help fill their time while maintaining a continued sense of contribution. They are also more likely to have retired friends and colleagues in need of investment and planning assistance.

### Business owners, "C Suite" executives, or other high ranking individuals

**Why:** Clients who have achieved a high level of success will likely have a multitude of colleagues and friends who are similarly successful. Besides the above average asset levels, these clients are typically more sophisticated and may be more likely to provide better qualified referrals.

### Philanthropists

**Why:** While highly philanthropic clients may give you an opening to other prospects involved with their non-profit organizations, you may also have an opportunity to manage the trust or other accounts of the organization as a whole.

### Organizational Involvement

**Why:** Similar to philanthropic endeavors, clients who involve themselves with various organizations, such as religious, business, or social organizations, are usually well connected, social, and willing to exert their social influence. This type of client may also be a great candidate if you are thinking about creating a client advisory board!

### Engaging, pleasant, and even tempered individuals, as well as those who are loud, direct, and even critical!

**Why:** Clients who exhibit a pleasant disposition and who are generally engaged and appreciative of your services are likely receptive to being asked to refer. A more uncommon source, however, are those who may be more challenging.

Often, people who actively question and critique are genuinely trying to help you, even though it may not always seem that way. After all, why would they stick around if they are so unhappy? Remember, clients who are direct with you are likely that way outside your office, too. This makes them a good referral source as they may not hesitate to tout the value that you bring to the relationship.

*WARNING: it is imperative that you do not confuse toxic clients with honest but demanding clients!*

### Extended Centers of Influence

**Why:** A common mistake among advisors is to only target high-net worth clients directly, while forgetting about other common service providers that these ideal clients typically use. Centers of Influence are not just CPA groups, legal firms, Chambers of Commerce, etc. While these are all examples of highly valuable referral resources, sometimes there may be equally effective resources that you may have never thought about before.

For example, your local golf pro may be an excellent source of referrals. These individuals work closely with a variety of people but often with clients who most advisors would consider the most desirable. Golf pros don't just provide a service; they form relationships and build trust with their clients. By tapping these more subtle types of networking centers, you will have an opportunity to give yourself an edge.

## When to Ask

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Knowing when to ask for referrals is far from scientific; however, there are some techniques that are generally more intuitive and effective than others.

### After Opening an Account

Once you have officially added a prospect to your client base, it is a great time to ask for a referral. It is likely that you have reviewed your value proposition, scope of services, and some type of plan to help the newly acquired client to attain his or her goals. Now is the perfect time to ask since the value you bring to your clients is fresh, clear, and compelling.

### After Providing Great Service

As an advisor, the service you provide to your clients is on-going and tailored to each of your client's unique needs and goals. Do not pass up the opportunity to capitalize on instances where you help a client reach a certain goal, go above and beyond your normal service inventory, or exceed a client's expectations.

### Remember a few key points:

Be genuine, make sure your value is clear beforehand, do not be pushy, and frame your request as the opportunity to work with a referred friend or family member as an experience that will be mutually beneficial.

### After Getting Turned Down

Often times, people may feel a sense of guilt when turning down the services of someone who genuinely wants to help them. Additionally, this sense of remorse may be increased if the prospect believes that your services likely would have benefitted him or her. As such, don't hesitate to ask for referrals in times such as these as they may be great opportunities to turn a bad situation into a good one. Indeed, the prospect you lost may be incited to offer you help in order to ease the guilt he may feel for refusing your services, while also trying to help a friend or family member. The key is to ensure you portray yourself as genuine and having the ability to better people's lives.

### Any Time

Many believe that there is no bad time to ask for a referral as long as you remember a few key points: be genuine, make sure your value is clear beforehand, do not be pushy, and frame your request as the opportunity to work with a referred friend or family member as an experience that will be mutually beneficial. This last point is important so that the client does not feel he or she would be referring a friend, family member, or colleague purely for your benefit.

## How to Ask

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Social media, in-person conversations, mass communications, client events, etc. are all ways to elicit qualified referrals. The tricky part is implementing these strategies efficiently and effectively. To do so, it is important to know your clients. Some clients may not think twice about an email reminding them you are open to new prospects they think will benefit from your services, while others may find that method offputting.

Determining the best way to ask clients for referrals is easier said than done, however. While there is no “one size fits all” method, here are some ways that other advisors like you tackle this issue.

### Email or Mailers

Many advisors who believe their clients are open to providing referrals, but who are uncomfortable or unwilling to ask in person, have found that well-written emails or even mailers can be a nice alternative.

### Client Advisory Boards

While not designed specifically for generating referrals, enhancing your client relationships through client advisory boards has helped some advisors approach the subject in a more comfortable environment. In some cases, referrals have been provided without an the advisor even having to ask. The clients' appreciation of being invited on the board was enough in and of itself.

### Client Meetings

Some advisors simply have no hesitation about asking for referrals. They believe strongly in their value and feel they can bring value to their clients' friends and family members as well. As such, they take any opportunity when meeting with a client to ask if they know someone who could needs advice and guidance.

### Key Points

Keep it “client centric” not “advisor centric.” It's not about you getting the introduction; it's about you helping people they care about. Never promise that you can always help. Only make the offer to meet with the individual. The prospect may not be a good fit for your practice, and you don't want to break any promises to the client that gave you the introduction. But even if a referral is not a good fit, you should provide direction and suggest other resources/providers who might be a better fit.

Know your value proposition and be ready to weave it into the conversation.



## How Symmetry Can Help

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Your Regional Team is trained to help coach you in gaining referrals whether through niche marketing, leveraging centers of influence, or any other means that may be unique to you. In addition to one-on-one consultations, additional tools and resources available to you include:

- Assistance in the creation of a succinct, articulate and compelling unique positioning statement
- Ideal Client Profile
  - Every advisor needs to be able to segment their clients to determine their most valuable clients and what commonalities they share. By matching your services with the needs of your desirable clients, you'll be on your way to a more rewarding and profitable future.
- On-demand webinars covering referral strategies, niche marketing, social media, creating a value proposition and more.
- Client meeting tools
  - Help increase the level of service that you provide your clients in an effort to enhance your client experience.

**For more information on getting referrals to help build your business with more and better quality referrals, please contact Symmetry today at 800-786-3309.**

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