



## Communicating to Clients during Turbulent Times

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The last few weeks have been plagued with unsettling news about the markets and the economy, including debt-ceiling concerns, a ratings downgrade and a 500+ point drop in the market. This uncertainty and volatility presents a challenge to advisors as to how and when they should communicate to clients about these events. Advisors must weigh what truly affects their clients versus what is just media hype.

I have encountered two perspectives from advisors about addressing breaking financial and economic news to clients:

1. Those who believe there is always a crisis-of-the-day (e.g. flash crash, Japanese earthquake, debt ceiling) and that addressing each of these events is not necessary. After all, this crisis will certainly pass and there will be a new crisis tomorrow. These advisors feel that their clients hire them to manage their money by making rational, long-term decisions and not reacting emotionally to the day's events – so those crises should remain their burden, and not their clients'.
2. Those who believe it is important to address clients about newsworthy events so that they remain calm. Clients are hearing varying opinions about the markets and the economy from the media and the people around them, so it is important that they hear the thoughts of the person managing their money.

Of course there is a balance between remaining dead silent through historic economic downfalls and addressing every media-hyped event. In volatile times, as well as in more stable times, there will be occasions when it becomes necessary to communicate your interpretation of specific events. It is important that you are prepared when those times come.

Below are two things you can do now to be prepared when a crisis does occur.

### **Compile an up-to-date client email list**

Make sure you have an accurate and up-to-date email list for just your clients. If you are using an email marketing system like Constant Contact or MailChimp, you may have your lists organized by the type of publication you send out (e.g. newsletter, market wraps, etc.)



instead of by the type of contact (e.g. client, prospect, center of influence, etc.). Create a list of just your clients so you are ready to send out client-exclusive messages in a moment's notice. Also make sure that this list is updated on a regular basis, adding new clients and removing former clients as necessary. If you utilize a customer relationship management (CRM) system to send emails, you will want to make sure your clients are correctly labeled in the system so they are receiving these important emails.

### **Create a breaking news email template**

In order to send out a message quickly, create an email template for breaking news. This can be easily accomplished using any email marketing system. The layout should be simple so that you can quickly and easily paste your message into the body of the email and then press "send." More complicated formats such as multiple column layouts may delay how quickly a message can be created and delivered. You may even want to consider sending a text email format to differentiate these important messages from the rest of your marketing messages (e.g. newsletters, event invitations, etc.). Whichever route you choose, make it easy and simple to create so you aren't delaying an important message by spending valuable time formatting the email.

While we all hope that sending messages to clients about the next economic crisis won't be as necessary as it has been in recent years, that is not a reasonable expectation. So prepare yourself now to be able to communicate quickly with your clients in the future.

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