

## A Proven Strategy to Attract Multi-million Dollar Clients

By Dan Richards

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When it comes to attracting new clients, new and different approaches are critical. While some advisors are experimenting with social media to grow their business, a recent conversation reminded me that advisors can still learn from longstanding, proven approaches that have been employed by advisors with elite clients.



### **A private banker's approach to business development**

In February, I spoke at an American Bankers Association conference in Phoenix. During one of the breaks, I got into a conversation about business development with an attendee who runs the trust operation for a mid-sized bank.

He began his career in the 1980s working for the private banking operation for one of the storied, blue-chip investment management firms in New York City. Their clients had a minimum of \$10 million and often much more than that – they worked with current or former CEOs, ultra-successful business owners or third or fourth generations of old money.

Confidentiality is essential for every client, but it's particularly important when working at the top of the market. Even in the face of that, this firm had developed a low-key approach to business development (they would never call it prospecting) that produced consistent results over time.

### **Identifying possible connections**

In advance of meeting with a client, the private banker would go to the firm's library, which archived directories of Boards of Directors of public companies, Who's Who in America, membership lists at private clubs and similar resources. The private banker would go through these with the goal of identifying one or more people with whom this client was connected.

If the meeting had gone well and the tone was positive, the advisor might conclude by saying:



*“One final thing. I believe that one of the other directors who’s been on the board of XYZ company with you for some time is Bob Smith.*

*We’re always on the lookout for people who are a fit with how we work and who we can help. From what I know of Bob, I think he might fall into that category. The next time you’re talking to Bob, if you’re comfortable doing this, I’d be grateful if you’d tell him that you work with us and that we would be happy to invite him to our next quarterly breakfast or lunch.”*

In listening to this private banker talk, I was reminded of a conversation with a highly successful broker who focuses on old money in her community, with a particular emphasis on women. She does similar research before meetings and concludes in a similar fashion, by saying something like: *“I know that you and Susan Smith have both been on the volunteer committee of the symphony for some time. From what I know of Susan, she’s the kind of person who I’d work well with and might be able to help. I wonder whether you could tell me a bit about Susan.”*

This broker went on to say: *“The only way to effectively bring on new clients at the top of the market is via introductions. When I ask my client about Susan Smith, what I’m really hoping is that she’ll say ‘In fact, the symphony is having a lunch for volunteers next month. Why don’t you come as my guest and I’ll introduce you?’”*

Now, it’s evident that no one of these conversations could be counted on to bear fruit – but given the size of the accounts, the goal wasn’t to bring large numbers of new clients on board. By consistently building these conversations into your process, over time a certain number will produce results. These conversations never took place more often than once every fourth meeting – when meeting with clients, you need to ensure they see their needs as driving the agenda.

As you think about your upcoming meetings, consider whether you could apply this approach. By identifying one connection beforehand, you open the door to discussing how an introduction might take place. Whether it involves getting permission to add clients’ connections to the distribution list for your regular client communication, inviting them to client functions or getting an introduction in some other form, you can modify the approach used by a private banker for your business.

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*[Dan Richards](http://www.clientinsights.ca) 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, go to [www.clientinsights.ca](http://www.clientinsights.ca). Use A555A for the rep and dealer code to register for website access.*



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