# Two Words to Get in Front of Prospects

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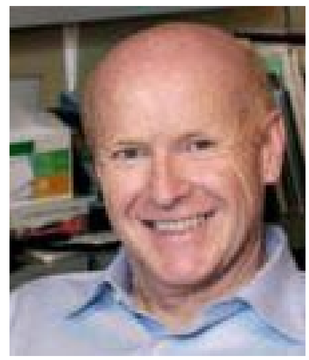

Even advisors who are successful in every aspect of their business struggle when it comes to getting meetings with prospects.

That's understandable at one level – prospects are besieged with demands on their time and many are deeply skeptical about anyone trying to sell them something. But if you can get past those barriers, unhappiness with recent markets and uncertainty about their finances has created an opportunity to engage potential new clients.

The key to capitalizing on this opportunity is to understand how prospective clients look at requests for action – and to frame anything you ask of prospects with two words in mind. Those two words: Reduce risk.

**How prospective clients look at things**

Let's say you ask a prospective client for a meeting or to attend a luncheon seminar. Immediately, he or she weighs two things.

First prospects look at the potential upside – the benefit. And then against that they weigh the possible downside – the risk. Prospects don't make this decision consciously – it takes place at an instinctive, subconscious level. Most of the time it happens in a split second.

Some advisors who don't get a positive response conclude that they haven't done a sufficient job of demonstrating the benefits of meeting, so they respond by showing more benefits – and if that doesn't work, they pile on still more benefits. While that might work sometimes, often the more you try to change a prospect's mind by showing more benefits, the more it feels like a sales pitch and the more their guards go up.

When asking prospects for a commitment, by all means demonstrate the benefit of their saying "yes." But don't forget the other side of the equation – the downside. In addition to showing benefits, consider two words that can be critical to success in getting prospects to agree – *Reduce risk.*

There are four ways to reduce the risk for prospects – borrow credibility, build your reputation, reduce the time you're requesting, or focus on a lower risk commitment.

## Borrow credibility

Every advisor knows that referrals are the best way to get new clients – that's because referrals involve a transfer of trust; when a satisfied client refers you to someone they know, your client's trust is transferred to their friend.

But there are other ways to borrow credibility beyond referrals:

- *Write in local newspapers*

  Seek out opportunities to have your views on financial planning issues or markets published in your local newspaper. Having that article on your website or sending it to prospective clients helps position you as an expert and reduces the risk of dealing with you.

  An advisor who focuses on *"suddenly-single"* widows and women getting divorced after long marriages has built her business by writing about the issues these women face. In the process, she has become the go-to resource for local radio and newspapers whenever they are looking for an expert to talk about issues involving widows and divorcees.

- *Seek out speaking opportunities*

  Another way to get expert positioning is by seeking out speaking opportunities to members of your target client community.

  One advisor built his business by making a concerted effort to get on as many platforms with qualified prospects as possible. Early on, he had one of his talks videotaped, so he could send this to the program chair of local organizations, in the process reducing the risk of them inviting him to speak.

  He always finished his talks with a draw and asked for permission on the ballots to put people on the email list for his monthly commentary. In short order he had hundreds of prospects that were getting his monthly material, with a steady stream of requests for appointments as a result.

- *Use testimonials*

  If you're inviting prospects to a lunch workshop, consider including testimonials from previous attendees as to the value that they received from attending. This is different from getting client testimonials for your services overall, which has different regulatory and compliance implications.

**Build your reputation**

A second way to reduce risk is to build your word-of-mouth reputation.

Many advisors in mid-sized communities have found that high-profile community activity raises their visibility and improves the response when talking to prospective clients. Taking a leadership role in a respected charity can make you safer to deal with.

Another approach is to narrow the focus of the clients you deal with, so that word-of-mouth kicks in and the *"safety in numbers"* effect works for you.

I've written in the past that the future will belong to specialists, whose focused approach gives them better insights about their clients, allows them to deliver solutions that are customized to a target group's needs and creates clear differentiation. Another benefit is that it's much easier to build word-of-mouth referrals. If you're talking to a retiree or business owner and can legitimately say that you specialize in working with people in their situation; if they've come across your name, the risk of doing business with you has just dropped.

**Reduce the time involved**

Another way to reduce risk is to reduce the time commitment you're requesting.

Many advisors focus on getting prospects to come to the advisor's office for an initial meeting. Unless they happen to be close by, this can present a hassle in terms of travel time and parking.

In an article last summer, I described one advisor who has succeeded in getting in front of potential clients by both demonstrating a clear benefit and reducing risk. He offers to take high net worth prospects through a check list of 20 ways that affluent investors go wrong, based on research with millionaires conducted by US Trust. Having identified a tangible benefit to sitting down, he then reduces risk by suggesting they meet for half an hour at a coffee shop close to the prospect's office.

**Asking for a lower risk commitment**

The final strategy to reduce risk is asking for a lower commitment; for many prospective clients, meeting face-to-face represents more of an obligation than they're comfortable accepting.

One advisor has had good success by inviting prospective clients to 60-minute luncheon roundtables for existing clients. The key is in the wording:

*"I keep these lunches to one hour. Over sandwiches, I update my clients on what's happening in markets and answer questions. While these lunches are primarily for existing*

*clients, I do have a spot available at the next lunch coming up two weeks from Friday, should you be interested in sitting in."*

Other advisors use a two-step process to reduce risk. Stage one is to offer to add prospective clients to monthly emails that go to existing clients, featuring relevant articles from publications such as *Fortune, Forbes* or *Bloomberg Business Week*. This is as non-threatening a commitment as you can ask from potential clients; once prospects have received these for six months or so, you've built familiarity and credibility and it becomes lower risk for prospects to agree to a meeting.

When talking to prospective clients, by all means maintain your focus on the benefit of meeting. But to maximize your chances of success, don't forget the other side of the equation and look for ways to reduce risk.

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*Dan Richards 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. Use A555A for the rep and dealer code to register for website access*.