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## Financial pros market their practices in bullish and bearish times

It was the best of times! Just a few short years ago, the investment markets were surging with no apparent end in sight. Many financial advisers, planners and brokers were perceived as geniuses by their clients who referred friends, family and co-workers to these market "experts." Financial advisers spent little time marketing their practices; the high returns earned by happy clients served as their best marketing campaigns.

It is the worst of times! Enron taught investors never to put all their eggs in one basket and showed financial advisers that there is more to attracting new business than pitching that hot stock tip of the day. Houston layoffs at the likes of Compaq, Dynege and elsewhere have forced employees to liquidate investment positions. Some advisers have had to pursue other career paths because their businesses had declined substantially.

Individuals have become far more particular about their advisers. They look for credibility in terms of education, professional designations, years of experience and past track records in both good times and bad. They also look for specialists, knowledgeable in such areas as life and disability insurance, retirement and estate planning, and money management. Marketing has never been more important as advisers seek to differentiate themselves from their competitors.

In reality, financial professionals have always done a relatively poor job of marketing themselves. They often rely on the bullish market conditions, the big name firms that employ them or the expert advice offered by their firms' analysts.

Needless to say, those are not strong selling points today. The equity markets have been abysmal, high profile investment firms just reached a \$1.4 billion stock-research legal settlement with regulators, and once reputable analysts have been barred from the industry for life. The time has come for advisers to find a better way to market themselves and their practices.

### HARD TO DIFFERENTIATE

Countless financial professionals with

similar titles offer a wide range of very different services and target diverse clients. Some are insurance specialists who know every last detail of the various products and policies; others are money managers who spend all day tracking stock movements online; still others perform comprehensive planning and work with individuals who need help managing all aspects of their financial lives.

They carry different designations and educational backgrounds. The financial alphabet includes MBAs, CFPs, CFAs, CLUs, and even CPAs (master of business administration, certified financial planner, chartered financial analyst, chartered life underwriter, certified public accountant). Despite the diversity in their backgrounds, designations and services offered, these professionals are known as financial advisers, planners, consultants, etc.

Prospective clients have no way to comprehend their differences by title alone. Most financial professionals never quite understand who they should be targeting and instead try to be all things to all people rather than focusing on what they do best.

### PRACTICES AND MARKETS

A money manager spends his day analyzing annual reports, company financials, and technical charts which detail recent stock price movements. He stares at his computer screen, trading the market minute-by-minute. His fund's performance has been excellent relative to many of his peers.

Though he is not an expert in insurance products, 529 savings plans, or estate issues, he calls himself a financial planner who assists people with all aspects of their financial lives. This individual should be promoting his investment management skills and his strong performance returns because that is what he does best.

Conversely, another adviser truly is a comprehensive planner who assists people across the life cycle with all aspects of their financial affairs. She works with individuals



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to manage their day-to-day budgets, their children's education saving plans and their personal retirement accounts. She also structures asset allocation models for their investments.

She never claims that her returns will outperform all others but adheres to their investment goals and tolerances for risk while achieving proper diversification. Her clients do not need that expert stock picker who stares at the computer all day; instead they want the adviser who they trust to help monitor all of their financial issues.

The goal of marketing is to identify a customer need, align that need with a core strength, and leverage that alignment for profit. In today's environment, financial professionals must formulate a marketing plan to help communicate the key messages that differentiate them from their perceived competitors.

Instead of waiting for the markets to bail them out, the successful professionals are proactive in their approaches to promoting themselves and finding new ways to generate business in a very challenging environment.

They identify their core strengths and determine the types of individuals they should be targeting. They set tangible goals to achieve in the short- and long-term. They design creative ways of delivering their messages so that their prospective clients know them, trust them, and want to work with them.

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### SAMPLE STRATEGIES

• **Technical articles dealing with pertinent financial topics.** Translate areas of expertise into printed and published documents (in trade periodicals) that can be distributed to clients and prospects. Such pieces serve to promote the professional as expert in a given field and lend additional credibility that may lead to future business.

• **Media opportunities among trade periodicals (PR placements).** Alert the

media about successes and other newsworthy information. Develop relationships with the local press in such a way that the professional is contacted and used as an "expert source" when timely related financial issues arise.

• **Speakers bureau.** Target trade associations, professional organizations, colleges and universities, local business chambers, and other groups that may be in need of speakers for various functions. Programs that involve continuous education (hours for professionals (CPAs, attorneys, etc.) could be particularly beneficial.

• **Educational functions/workshops.** Sponsor and participate in informational workshops and seminars (perhaps jointly with other related professionals). Such educational sessions allow the presenters to showcase their expertise about pertinent topics and simultaneously target multiple prospects. Joint sessions allow each participant access to other potential business opportunities through the relationships of their co-sponsoring partners.

• **Trade shows/conferences.** Participate in relevant industry trade shows and other functions by manning a booth to interact with conference participants. Display collateral and reprints of published papers (if applicable) that can be reviewed by attendees. Participate as speakers or lead smaller break-out sessions on applicable topics when able.

• **Web sites and collateral materials.** Promote concise, consistent messages which highlight core strengths. Include professional designations and recognitions, published articles and media quotables and even community service involvement. Charitable work and corporate sponsorships denote community interests and a sense of giving that is often attractive to potential clients.

• **Client endorsements and referrals.** Any level of satisfaction expressed by clients should be leveraged. Endorsements and testimonials should be utilized on the Web and in other collateral materials. Asking for referrals from satisfied clients is often the most beneficial, but underutilized, source of effective marketing. ■