



SIMPLIFY. EVOLVE. GROW.

7 Practical Growth
Strategies for Independent
Financial Advisors.

INTRODUCTION

As an advisor, you're aware of the forces shaping your business and the industry.

The speed of innovation in fintech, heightened regulatory pressures, persistent product proliferation, and intense price-led competition are just a few that top the list.

To stay relevant, competitive, and profitable, you must evolve. How you adapt your business to these forces will determine your growth for years to come. Understanding the issues is important, but it takes action to drive new business.

**WHILE THE EXTERNAL FORCES OF CHANGE MAY
HAVE PRODUCED NEW OBSTACLES, THEY'VE
ALSO USHERED IN FRESH OPPORTUNITIES FOR
ENTREPRENEURIAL ADVISORS.**

WHY THIS GUIDE MATTERS

- **Where you spend your time affects your profitability.**

Effectively managing how and where you spend your time is essential to your success. If your time is already maxed out on operational or administrative tasks, you may see shrinking margins gradually eat away at your business.



Re-allocate time on your area of greatest return: being in front of a client or prospect.

- **How you communicate your value, influences your retention and growth rates.**

Amid intense competition and the focus on fees, you may find yourself fighting to defend market share or explain the value you provide. Your business may suffer painful attrition as clients leave for what they perceive to be greener pastures.



Articulate your value at the start of a relationship with a new client. Continually reinforce it through active communication and thoughtful engagement.

- **The quality of your book determines the value you extract.**

The success of your business is likely a major piece of your retirement plan. If your book is messy, lacks clear processes, or fails to show potential for predictable revenue, it will negatively affect your sale price.



Streamline your business to improve profitability and boost your valuation. It will also make it easier to hand the reins to someone else when the time is right.

TAKE ACTION

This guide discusses seven practical strategies to re-energize your business and position yourself for new growth. It addresses ways to:

- Optimize your book
- Articulate your value and elevate your brand experience
- Systemize your client engagement process
- Amplify your communications and enhance client relationships
- Boost your value for future succession

The ideas here are just a start, but when well implemented, they will support the evolution of your business. We wish you the absolute best in your future.

Sincerely,

Chris Reynolds
President & CEO

Sam Febbraro
Executive Vice President



NAVIGATE AN INCREASINGLY COMPLEX INDUSTRY

As an advisor, some of the complexity you face is beyond your control. There are, however, areas you can control; for example, the number and type of clients you take on or the products you offer.

ASK YOURSELF:

- Do you have a diverse client list representing a broad spectrum of backgrounds, profiles, and investable assets?
- Have you purchased a variety of books over the years and now have clients invested in dozens or even hundreds of different products?
- Does the increased complexity of your business mean you spend more time on back-end activities and less time meeting with clients?

If you answered “yes” to any of the above, then there is a significant potential to simplify your business.

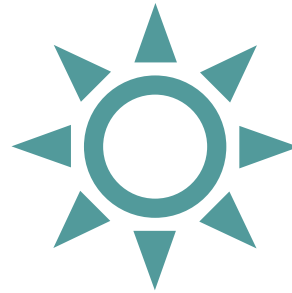
TAKE ACTION

Your business is geared toward meeting your clients’ needs and helping them achieve their goals, but that doesn’t mean they should dictate how you work.



STRESS TEST

Your phone rings at the office and it’s a client on the other end. If you dread picking up the phone, then maybe it’s time to re-evaluate your client base or reset expectations.



WE RECOMMEND

Segment your book by:

- Account size
- Profitability
- Client type
- Client objectives
- Investment type
- Fund company

STRATEGY #1

Conduct a thorough book analysis

Get a handle on your entire book of business. Start by compiling detailed information on your clients and product offering. This will give you a clear view of the most profitable areas of your business and highlight your pain points.

Probe with questions to guide decisions, such as:

- Which clients align with my portfolio philosophy?
- What type(s) of client do I want to focus on?
- What are my centres of influence?
- How many relationships can I manage while delivering the best client experience?
- What is the minimum investment size for my preferred segments?
- What is my plan for client relationships that are not a good match for my business?

The answers to questions like these will help guide the next phase of the process, which involves systematically transforming your complex, overloaded book into one that's leaner and more efficient.

STRATEGY #2

Develop a clear portfolio philosophy

Define your investment philosophy and articulate it in a clear, concise statement.

Once you can clearly express your portfolio philosophy to prospects and existing clients, you can begin to consolidate your client list:

- Those who subscribe to your views will embrace your approach, reducing potential dissatisfaction.
- Those who don't subscribe will seek out a different advisor.



BONUS TIP: Conduct a Fit Meeting with every prospect to articulate the type of clients you work with and determine whether they fit your target client profile. If there isn't a good fit, refer the prospect to a junior associate or another advisor. Use a similar approach to gradually transition clients who no longer fit your business profile to a junior associate. Prospects and clients will respect your honesty and transparency.



YOUR INVESTMENT PHILOSOPHY is essentially your asset allocation strategy and approach to working with clients to help them achieve their goals.

STRATEGY #3

Outsource activities that are outside your area of highest return

If the math to outsource makes sense, do so. Track the time you spend on back-end activities to gauge the cost/benefit trade-off of doing tasks yourself. Evaluate the cost of doing tasks that are not within your own sphere of expertise and competence (e.g., designing portfolios and rebalancing them regularly, doing the research and selection of securities, creating marketing collateral, client reports, etc.). This knowledge will help you make informed decisions about the tasks you can outsource. When you outsource to a trusted partner, you will remove a layer of complexity from your business and free up time for the more productive, profitable activities to grow your business.



**SIMPLIFYING YOUR BUSINESS FREES UP
TIME TO FOCUS ON THE AREA WHERE YOU
HAVE THE GREATEST IMPACT: NURTURING
NEW AND EXISTING RELATIONSHIPS.**

DELIGHT YOUR CLIENTS AND BUILD STRONGER RELATIONSHIPS

When clients can look at a robo-advisor's low fees and see the potential to increase their investment returns, the pressure is on you to deliver a more rewarding experience. This pressure will only grow as fintech and artificial intelligence continue to reshape how investors engage with wealth service providers and purchase investment products.

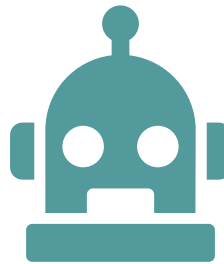
In this changing environment, the role of in-person advice remains vital, but it requires adaptation. This starts with listening more and positioning yourself as a trusted partner, mentor, and coach for your clients. It means engaging the different generations within your clients' families and catering to their needs in ways that appeal to them.

To boost your clients' overall return on life, gain a deep understanding of their needs, goals, dreams, and fears. This knowledge will enable you to design robust plans for your clients that address both their personal and family objectives comprehensively.



82%

BELIEVE FINANCIAL
ADVICE RECEIVED HAS
A POSITIVE IMPACT.



81%

PREFER IN-PERSON
ADVICE AND GUIDANCE
OVER ROBO-ADVICE.

*Source: IPC Investor Survey, April 2019. Survey of 500
Investors with \$100K+ in investable assets*

STRATEGY #4

Systemize your client engagement strategy

Every client is unique, but that doesn't mean you need a different approach for interacting with each one. In fact, the opposite is true: you'll become more effective at building strong relationships if you have standardized processes for consistently engaging with clients. For example:

- Every interaction with a prospect – how you communicate with them, conduct meetings, welcome them to your office and follow up post-meeting – reflects the care and attention you deliver. Adopt a systematic approach to these interactions to ensure you make a positive impression every time.
- A smooth onboarding process sets the tone for a rewarding relationship. To save time and avoid overlooking key details, replace ad-hoc onboarding with a repeatable, step-by-step approach (digital, if possible) that covers every step of the wealth management relationship.
- Surprise and delight your clients by recognizing personal or family milestones that are important to them. Establish a clear system for tracking significant events, setting reminders, and determining how and when to take action. Delivering personalized attention like this will show clients that you care and are thinking of them even when they are not in front of you.

STRATEGY #5

Demonstrate your comprehensive approach with a discovery letter

The initial discovery meeting with a prospect is a key opportunity to collect detailed information about their needs, goals, dreams, and fears. Writing a detailed follow-up email will show that you truly listened and can translate their input into a plan. The aim of this letter is to make clear that you understand the big picture of their life and can offer solutions that match.

- Reflect the value you bring as a comprehensive wealth planner. Go beyond pure investment management to also help your clients with estate and legacy planning, risk management, mortgage and lending relationships, and working with the next generation to properly steward their inheritance.

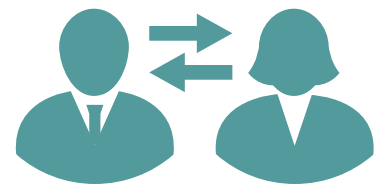
- For any issues that fall outside your areas of service, show that you can work with external professional partners (e.g., lawyers, accountants, insurance partners, and estate specialists) to ensure their needs are met.



BONUS TIP: Engage the younger generations within the families you serve early in ways that meet their preferred approach to investing or receiving financial guidance. Invite Millennials to family meetings or enticing client events. Offer solutions that reflect their price-conscious sensitivity and share knowledge freely. With each interaction you build trust, earning the right to provide greater value as this generation's financial lives become more complex.



**IN THE ABSENCE
OF VALUE, PRICE
BECOMES THE FOCUS.**



**DIFFERENT STROKES FOR
DIFFERENT FOLKS**

Boomers and Gen-Xers in your clientele may want a lot more face-to-face interaction than Millennials. Spot the differences.

OPTIMIZE AND AMPLIFY YOUR COMMUNICATIONS

Lack of communication is one of the most frequently cited reasons why investors leave their advisor. Why is communication so important? Because it plays a major part in shaping the client experience. When done right, communications can:

- Establish or reinforce your position as a thought leader
- Bring the value of your services to the attention of prospects
- Ensure you remain present in clients' lives even when you are not physically in front of them
- Remind clients that you care
- Build trust and reassure clients during times of financial upheaval
- Reduce the risk of your clients' attention being diverted by a competitor

These days, effective communication requires a multi-format, multi-channel strategy so you can be present where and when your audience is looking and listening. From emails, newsletters, and conference calls to social media and in-person events, communicating clearly and meaningfully is more important than ever.



32%

SAY THEIR ADVISOR
DID NOT EXPLAIN THEIR
PORTFOLIO PERFORMANCE
DURING THE PAST YEAR.

*Source: J.D. Power 2019 Canada Full
Service Investor Satisfaction Study*



63%

OF CANADIAN SOCIAL
MEDIA USERS ENGAGE
REGULARLY WITH BRANDS
AND PRODUCTS.

*Source: Sherpa Marketing, Social
Media Stats, 2018*

STRATEGY #6

Use content marketing to reinforce value and foster engagement

Content marketing is a powerful way to show clients and prospects your value. By sharing valuable insights, knowledge, ideas, and market or investment updates in a format that resonates with your target (think articles, videos, infographics, or quick social soundbites), you can kick-start conversations with your network. Over time, it will help you establish yourself as their go-to resource for financial questions.

- Successful content marketing requires a strategy. Producing content that is relevant to your audience and aligned with your brand is crucial if your communications are going to be useful and cut through the noise.

- Create a content calendar. Haphazard communications delivered inconsistently can lead to confusion or become an annoyance to your audience. Much worse, you risk creating openings for other thought leaders to fill the gap. To avoid this, put in place a clear plan for what, when, and how you will communicate with your audience.
- You don't have to start from zero. There are plenty of tools, templates, and third-party partners to help you ramp up your communications and reach your target audience quickly and efficiently.

A lot of the hard work you do and the value you generate for clients happens behind the scenes. Regular communication and progress review updates can bring this to the forefront in a meaningful and engaging manner to help you build your brand and grow your business.

DEVELOP A SUCCESSION STRATEGY

Canada's advisor community is growing older, and a significant wave of advisor retirements is on the way.

The value of your business is directly linked to how easy it will be to transfer it from one owner to another. For many advisors, this can be a challenge because they have complex books built over many years through multiple acquisitions. In many instances, their business is highly reliant on their personal involvement.

The easier you make it for others to step into your shoes, the better your potential retirement paycheck.



STRATEGY #7

Lay the foundation for a transfer of ownership

Putting in the effort to clean up and systemize your business before putting up the “for sale” sign will help you achieve a more successful and profitable transfer of ownership.

Start by taking an honest look at how easy it would be for someone new to take on your business without the benefit of your familiarity and years of experience. Audit the strengths, weaknesses, and pain points of your business. For example:

- Do you use technology platforms for client relationship management? For financial planning? If so, which ones?
- Which processes within your business are carried out manually? Which are automated?

Once you have a clearer picture of the health of your business, you can begin to identify opportunities for improvement. Depending on your situation and objectives, this may involve implementing systems and processes that can be easily replicated by a new owner, leveraging turnkey solutions, or seeking out assistance from an external partner.

A smooth handoff won't happen overnight, so you need to start actively preparing three to five years before your planned retirement to ensure a successful succession.



37%

OF ADVISORS IN
CANADA HAVE MORE THAN
20 YEARS OF EXPERIENCE.

*Source: Strategic Insight Research's Retail Brokerage
and Distribution Report—Canada, Winter 2018*



\$490 billion

IN ASSETS UNDER ADMINISTRATION
WILL CHANGE HANDS OVER
THE NEXT FIVE YEARS.

KEY TAKEAWAYS

With a rapidly evolving industry and only so many hours in a day, growing your business beyond a certain point can be challenging. As an entrepreneurial financial advisor with strong skills and a powerful inner drive, these strategies can help you propel new growth through simplicity:

- To counter the increasing complexity of the financial advisor industry:
 - Look for opportunities to consolidate your client list and product offering and outsource back-end activities.
- To build and maintain strong client relationships amid rising competition:
 - Focus on strategies to consistently delight your clients and boost their overall return on life.
- To increase your share of wallet among existing clients and attract new prospects:
 - Invest in your communications with clients and prospects to establish a clear thought-leadership position.
- To boost the value of your business in preparation for retirement:
 - Start cleaning up your book and developing a succession plan three to five years in advance.

TAKE CHARGE OF YOUR FUTURE

At Investment Planning Counsel, we help advisors raise their game and grow their business. We arm them with valuable business-building resources, including deep expertise from portfolio services, compliance and marketing and a proven client-experience strategy that turns prospects into clients and clients into a reliable source of referrals.

Discover how we can help your business grow.



MANAGE

78.6%

MORE

IN ASSETS UNDER
ADMINISTRATION.



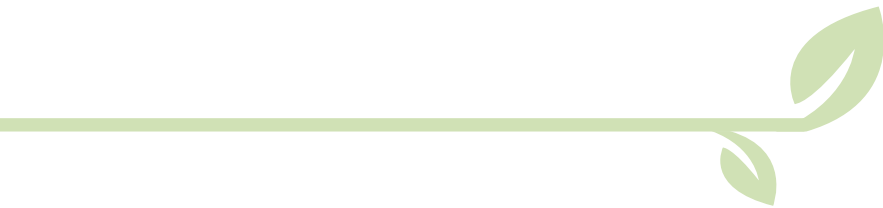
GENERATE

82.2%

MORE

IN TOTAL REVENUE.

Source: Average growth experienced by IPC advisors who have implemented the Total Client Experience (TCE) process.



WE CAN WORK WITH YOU TO:

- Deliver your Total Client Experience
 - Design your portfolio offering
- Build your brand within your community
 - Increase your operational efficiency
 - Maximize the value of your business

**For more information, call us
at 1-877-212-9799 or email
bill.dsilva@ipcc.ca or
marylou.martinez@ipcc.ca
to book a confidential consultation.**