



Four Ways to Get More Referrals for Your Advisor Practice

Reaching new clients, especially younger ones, is a challenge that all financial advisors are facing going into 2019. Replenishing your pipeline as older clients pass retirement age and ultimately leave their wealth behind as inheritance is a key to the growth and sustainability of your business.

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If you have had the chance to read any of our practice management content before, you have heard us sing the praises of leveraging modern day marketing channels like LinkedIn and Google Search. And for good reason – showing well in the digital space is pivotal for all advisors or business owners of any kind.

There is however another avenue that continues to be one of the most effective sources for new clients. In fact, 92% of Advisors said that it represents their best source of new business: the tried and true word-of-mouth referral.*

Asking for a referral can be a bit awkward and taking the time to build a referral program can seem like a cumbersome task, but with a little effort, you can scale your network into a powerful engine for your business.

Below we dive into four things you can do to build a more effective referral program for your practice.

ASK YOUR TOP CLIENTS

One of the most common mistakes Advisors make in seeking referrals is not asking at all. At the end of the day, your best clients are your best marketers. For those you have a strong relationship with, ask for referrals clearly and directly. Trying to make a “soft ask” often gets overlooked due to the client not realizing the Advisor is even asking. A good framework is to start with your top 25% of clients and, in your next meeting, ask if they know anyone interested in the type of services you provide.

* 2017 Financial Advisor Marketing Benchmarks Report.

PROVIDE VALUABLE CONTENT

We frequently talk about building valuable content for your clients. This means providing content that not only can help them navigate the market or their personal situations but can be easily shared with others as well. If you write an article called “How to navigate the final 10 years before retirement,” and it resonates with your clients, they will feel more inclined to forward to their peers in similar situations. Think about educational content that will resonate with your clients and develop pieces with them in mind.

CREATE AN INCENTIVE PROGRAM

If you don't have an incentive program setup, it's one of the easiest ways to generate new referrals. Develop a program that benefits both the referral and referrer. For the referral, maybe it's a free financial consulting session and for the referrer, a gift certificate to a restaurant in town. These incentives can go a long way, even if they are smaller in scope. As always, you should check with your compliance team as to what you're allowed to provide to clients.

BUILD THE FUNCTIONALITY TO REFER IN YOUR COMMUNICATIONS

Your website should give clients the ability to refer someone directly. This can be as simple as implementing an email functionality on your site or email signature that enables clients to email certain pages and PDFs to friends or colleagues. While this functionality may not receive a ton of engagement, it will be worth the 1-2 new clients it could return over the course of a year.

At the end of the day, the single most important thing you can do to win referrals for your business is ask. Getting past the slight awkwardness of a direct ask and implementing some of the strategies we discussed above could mean bringing in a game-changing client. This year, take your referral policy past a “if you know anyone that is looking” on the way out the door. Expanding your referral network, coupled with other marketing, can do wonders for the growth and sustainability of your practice.