



Reimagining the Financial Services Practice

The Future of Business Development

How is business development changing in financial services? Learn the changes that top advisors are implementing to drive their growth.



By Maribeth Kuzmeski, PhD

www.RedZoneMarketing.com

INTRODUCTION

What's trending now in financial services? Digitization. Technology. Virtual meetings and hyper-personalization, to name a few. And most significantly, an expanded prospecting reach.

Why should you care? Because the future success of your business depends on your ability to adapt and adopt changes into your own practice that will propel it forward at the speed at which the financial services industry is advancing.

While keeping pace with market trends may seem like a fruitless task on the surface, it is only by identifying where your industry is headed—and ultimately what consumers are looking for from your service-based business—that you can truly offer what consumers are seeking and build your book of business.

From where we stand now, the future of financial services will be in experience and convenience. Let's take a look at some recent trends to uncover where your marketing and long-term business planning solutions should lie?





WHAT'S TRENDING IN FINANCIAL SERVICES?

From virtual meetings to digital workspaces to hyper-personalization, technology has fueled everlasting changes that continue to modernize and digitize our worlds. These changes have forever altered not only the way we do business, but the way we expect all businesses to be run and operated.

As I mentioned earlier, it's all going to come down to experience and convenience. Here's why:

01 **Investors are beginning to prefer digital interaction, regardless of their age.**

Consumers of all ages have grown comfortable replacing in-person interaction with virtual. While this trend was certainly sparked out of necessity during the COVID-19 pandemic lockdowns, consumers got a taste of what was possible regarding interaction with their service providers and are changing their preferences—in all industries!

Not only are [record numbers of consumers](#) now using digital channels for [telehealth](#), entertainment, and groceries, but also their banking services. Plus, [75%](#) of customers who report using digital channels for the first time say they plan to keep doing so.

02

Convenience wins.

Curbside pickup? Delivery? Consumers have seen how convenient day-to-day tasks can be and are saving time and energy taking advantage of these leftover COVID-19 service models that are now commonplace in business operations. Why drive across town when your item can be delivered? Your advisory meeting done via Zoom?

According to this year's [Raydiant Report: The State of Consumer Behavior 2021](#), 25.5% of surveyed consumers listed convenience as a deciding factor as to where they would conduct their business.

From another perspective, we have seen this happen in talent recruitment for advisory firms, as well. More and more, candidates are turning down jobs that don't offer remote work or arrangements that include part-time work from home. Convenience is becoming king.



03

Experience is becoming a deciding factor.

What does this all boil down to? That the type of experience you provide going forward will be paramount to retaining your current clients and obtaining new ones.

Do clients have to meet you in person? Do you have the online capabilities to serve them remotely? How will you securely share documents and onboard a new client from afar? These are just a few of the concerns you should be comfortable addressing to be able to adapt and integrate your advisory firm into this new environment.

04

Expanding from a local to a national reach.

As an established advisor looking back over the course of your career, how would you say you found most of your current clients? For most advisors, the answer is through referral or local events.

In the past, most advisory businesses built their book of business serving their local community. It was only natural then that advisors went out into the local community to network, build relationships, and ultimately pick up leads who would hopefully become paying clients. Prospecting originated in-person and was often then fostered via email and phone calls as the relationship progressed. This is simply how financial advisor prospecting worked.

For those of us who were a part of this industry when [this was the norm](#), it can be hard to imagine a world where in-person prospecting is dead—or if not dead, then far less effective at the very least.

A digital shift—wildly accelerated by the pandemic—has forced everyone to reimagine the financial services practice from tip to toe. But the past year has confirmed that the post-pandemic recovery of the financial advisory profession is digital. And one of the biggest transformations is the expansion of the prospecting reach of financial advisors.



LOCAL TO NATIONAL REACH – THE FACTS

More than Half of All Potential Clients Are Comfortable Working with Remote Advisors

Pre-pandemic, [66%](#) of investors preferred to meet with their advisors in-person. Now, investors are not only comfortable finding an advisor online, but also maintaining a relationship virtually. Clients are even choosing advisors with whom they have never met (and may never meet) in person.

Interestingly, investors in different parts of the country tend to trend higher on this list than others. Major coastal cities, for example, are even more open to working remotely. But regardless of which regions trend higher or lower, the overall trend has been determined. Today [more than 63%](#) of clients are willing to work with a remote advisor.

63%

of clients are willing to work with a remote advisor

Advisors Must Expand Their Reach from the Local to the National Level

What does this shift mean for advisors? Simply put, they must expand their reach and their mode of prospecting to reach the people looking for and in need of their services. Those that have embraced this shift are already reaping the reward, with top performers having already integrated more digital approaches to their practices. According to the 2021 InspereX Pulse Survey conducted by Red Zone Marketing in 2021:

43%

of top producing advisors (over 800,000) were doing virtual education seminars (versus 32% of all advisors).

52%

of top producers are meeting virtually as the main way they meet with clients.

The signs are irrefutable. If the way clients are looking for advisors and interacting with their advisors is all being done online, then that is where prospecting must be conducted, as well. The result, of course, is that it's unlikely in-person prospecting will ever be as effective for most advisors as it was in the past.





Virtual Capabilities Expand an Advisor's Client Pool without Sacrificing Local Client Service

The good news, of course, is that virtual clients can expand an advisor's client base while still managing assets for local constituents. Just as the pool of advisors dramatically increases for the consumer when searching nationally, the pool of potential clients dramatically increases for the advisor who serves clients nationally.

And what's even better is that this trend increases an advisor's chances of finding "right fit" clients by reducing the temptation to serve "any old client" simply because they are local to their community. Profitability, productivity, and job satisfaction all stand to be enhanced from this move outward.

LOCAL TO NATIONAL – THE MARKETING TACTICS

So How Does an Advisor Reach New Clients in This Digital Environment?

Digital content marketing campaigns on social media

Thanks to the highly advanced capabilities of the smart phone, each of us can access our digital social communities with the click of a button. But what's more, is that social media offers ways to connect with those people outside your immediate network, as well. Whether it's leveraging the network of another individual to spread your message (earned media), or paying to have your content reach a wider audience (paid media), social platforms break any barrier an advisor might have in trying to get his or her message out to that ideal client.

Virtual Seminars, events and workshops

How do you reach prospects thousands of miles away? By eliminating the geographic boundaries that serve to separate you. Thanks to the internet, this is all possible. Top-performing advisors have already begun capitalizing on these very low-cost, high-impact venues for reaching potential clients.

Targeted email campaigns

Targeted email campaigns still rank at the top of the list for Return on Investment (ROI) for financial advisors. These campaigns send specific messaging to certain groups of subscribers based on their segmentation in your email list. The more detailed your segments are, the more personalized messaging you can send, and the more effective your marketing campaigns will be.

Google Ads

Google AdWords is essentially Google's version of paid search engine ranking. You know the ads at the top of your search results? Those are AdWords. It is an advertisement that allows you to market your services within a Google search. AdWords shouldn't be your only marketing campaign, but it can serve as a nice supplement to throw fuel on the fire of your other marketing techniques.

Referrals

Referrals will never be dead. As long as people speak to other people, clients and friends will always share the information of service providers they are truly passionate about with their respective networks. What does look different, though, is how the referred party will then do their research. That, of course, will be conducted online.

LinkedIn prospecting

Depending on your target audience, LinkedIn can be a treasure trove for financial advisors. Not only can you connect with groups of individuals directly in your services niche, but you can upgrade your plan to Sales Navigator to do research on your target demographic. The best way to leverage LinkedIn, though, is not with "salesy" content. LinkedIn is a platform built and designed for professionals to connect with and help other professionals, so sharing educational and insightful content will always be favored by the algorithm in the feed over self-promotion. The key to visibility here is engagement, so work extra diligently to make sure your content spurs some meaningful interaction and conversation.

Search Engine Optimization

Where is the best place to hide a dead body? The second page of Google search results. This is just how important SEO is in helping users find your firm. If you are working at the national level, how well you rank in search engine results is going to be absolutely critical to your success. According to multiple studies, only 25% of users even look at the second page of search results. So, 75% of people won't see you if you aren't landing on page 1!

Advisors Who Want to Succeed

Whether you're looking to become a top-performing advisor or simply want to grow your business, you'll need to reset your digital agenda to meet these new client preferences. Set marketing and business targets that help you move your advisory sphere further out into the digital domain to capture more ideal clients than you've ever had access to before.

While this digital transition may seem overwhelming, it can be done in stages. Surprisingly, much of the heavy-lifting can be accomplished within the first few months. After that, it will simply be a matter of monitoring your progress, re-assessing lagging strategies, and pivoting to find the right marketing mix that best connects you with the clients you want to serve.

Invest in the Experience

At the end of the day, identifying marketing trends is critical for long-term business planning, and today's trends all point to one question: are you able to provide the digital experience today's consumer is looking for?

Historically, advisory firms have been quick to invest in investment management solutions or compliance processes, and less so on relationship and business development. But as you approach your financial advisor business and marketing plans for the upcoming 2022 year, I urge you to take heed of these trends in the industry, configure them into your business plan, and make it clear to consumers that you are, indeed, following suit with the new way of the world with a seamless and convenient advisory experience.

