

MDRT



MINUTE

“Client-Centered Marketing”

Each client has an average of 52 friends, family members, and business associates. Your clients have far more persuasive impact on their friends than you ever will. **Duncan MacPherson** told 2001 MDRT Annual Meeting attendees how to turn clients into a sales force that brags about them whenever money is discussed.

The Loyalty Ladder

The key to client-centered marketing is the Loyalty Ladder. You want to move as many people as you can to the top rung of the ladder. The bottom rung of the ladder is for **suspects**. Marketing to suspects can lead some advisors to mistake movement for achievement. There are significant differences between a suspect and a prospect.

The next rung is a **prospect**, someone that has been influenced in advance and has a level of self-motivation. A prospect is someone who calls you. You want to make your phone ring with calls from predisposed prospects.

You want to convert prospects up the ladder to at least the next rung, which is a **customer**, someone who has a portion of his or her business placed with you and another portion down the road. Many advisors have a number of customers in the inner circle, but they are so fixated on sales, transactions or gathering assets that they miss new customers as they try to find more new business.

A **client** represents the next rung. A client is someone who is exclusively yours. They have empowered you to handle every cent and every service need they have. When they need something they call you.

The top of the ladder is reserved for **advocates**. The value and durability of your business will be proportional to how many advocates you have. They're a joy to work with. They are fiercely loyal and they brag about you to everyone. What would happen to your business if you had 200 advocates?

Building advocates depends on the credentials you possess and the chemistry you develop with clients. Your goal is to invest something in every client conversation that contributes to your relationship. I use the acronym **FORM** to describe the four pieces of the relationship. Bring as much value as you can to all four of these areas:

- **Family.** Get to know their families. Find ways to help them teach their children about financial strategies.
- **Occupation.** Study what your clients do and look for ways to bring value there.
- **Recreation.** Be interested and look for commonalities.
- **Money.** Discover their values, goals, and risk tolerance.

Build a wall around your clients to make them competitor-proof. Ask them how you are doing. If you want them to refer new business to you, get into the habit of referring business yourself. Clients bring value to you each and every day, so remember to thank them for their relationship. Always make it about the client.

Duncan MacPherson's consulting firm is dedicated exclusively to the financial services industry; creating and implementing customized marketing plans for top-producing financial advisors. His entire presentation, “Advanced Marketing Techniques: A Financial Advisor’s Guide to the Loyalty Ladder,” is available at MDRT’s Power Center (www.mdrtpowercenter.org)