

A Few Thoughts on Marketing for Forward Thinkers

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As long as the past is an option, there really is no clear focus on the future. Unfortunately, many in the industry are still using old marketing and prospecting techniques and expecting new results. The future is quite clear – only those who turn the page on old marketing and prospecting techniques will reap the benefits of the roaring 2000's.

Perhaps at no time in our recent history have the economic conditions been so favorable for the financial services industry. How, then, can one explain the less than favorable results that many agents, advisors, planners, and companies are receiving from their daily activities.

Admittedly, the financial services and insurance industry can be described as a mature industry. However, maturity does not have to lead to mediocrity. Only complacency leads to mediocrity and ultimately to disaster. To move forward today, one must rekindle the sense of growth and excitement necessary to move from the horizontal plane of maturity and move to a more vertical growth mode.

To accomplish growth in a mature industry, here are a few thoughts for forward thinkers.

It's about loyalty, not just satisfaction. There is much focus today on customer satisfaction and customer service, all of which is needed. However, remember that customer satisfaction ratings indicate how people feel after interaction. The real emphasis should be on developing customer loyalty. Customer loyalty is the best barometer of future intentions. Satisfaction is based on what you did in the past. Loyalty portends what your best customers intend to do in the future. What are you doing to ensure clients' future intentions? Earning customer loyalty is not just about rewards for doing business like the airlines and credit card companies. Recent indicators suggest that loyalty is created via more customer contact and recognition.

Ask yourself:

- How often are you updating data about your best customers?
- Are you capturing email addresses for all accounts?
- Do you provide, as your competitors do, a special 800 number for your best clients?

- Have you explored ways to identify and recognize the top 20% of your clients and the significant events in their lives such as moving, business anniversaries, mergers, etc.?

A good example is Pier 1 Imports. They send a gift to their best customers when they move. You could do the same, within your compliance environment, of course.

Sales keep you in business, but only marketing will keep you in sales. Few in the industry see or practice the difference between selling and marketing. The confusion occurs because most individuals in the industry believe their success path revolves around their ability to sell. Thus, producers and management alike have never put much thought into marketing. Consequently, prospecting has been seen as an extension of the sales process, making it difficult to focus on developing marketing and relational skills – the very skills that are needed in today’s hyper-competitive environment.

Positioning must precede promotion. The challenge in the industry in marketing is not that we cannot get the prospective client’s attention necessarily; the challenge is that the individual producer and/or the company is not positioned properly with that prospective client. What this means is that there is a great deal of promotion taking place with no thought of positioning oneself first. Positioning is vitally important prior to promotion because without positioning yourself first as a financial resource with your prospective clients, all the promotion that you do simply tells them that you’re trying to sell them something as opposed to help them buy what they need.

Marketers focus on people, merchandiser’s focus on products. Unique to the financial services industry is the frequent articulation of markets as products or services, as in the annuities market, the equities market, or the personal banking market. The challenge many producers have in acquiring sequential sales as well as gathering additional assets of their clients is this idea of being focused on product or process as opposed to being focused on people. People buy solutions to their problems. They are looking for convenience and one-stop shopping. Admittedly, one cannot be all things to all people; however, one can be all things to a few people.

By focusing on specific groups of people and seeing them as your market, it allows you to speak their language effectively, understand their needs perceptively, and position and promote yourself as a financial resource. This continual emphasis on products or processes as markets continues to cause confusion. By focusing yourself on people instead of products, watch how quickly you'll transition yourself and your organization into a financial resource.

Shake, rattle, and roll. If ever there was a time to evaluate your marketing and prospecting activities, it is now. Are your prospecting activities supported by a sound marketing campaign? Are your prospecting activities paying off with sales results? If not, it's time to shake things up, rattle around new ideas and approaches, and roll forward.

As an example, many people are still pushing hard to work in the high end of the seminar market, thinking that it's a great opportunity out there. Marketing pieces are put together to promote the specific seminar, but then the prospecting is done to a generic group of people who "may" meet the profile. The seminar, when it takes place, which is, of course, part of the sales process, many times does not support the title or the topics that were part of the initial marketing and, thus, those who were prospected to come to the event feel let down. They are not getting what they came for so there is no reason for them to think they'll receive the answers to their questions if they meet with you individually either.

Because response rates have tumbled at the high end of the seminar market, it's time to shake up that marketing activity, rattle around some new ideas and roll forward with a different approach, particularly because advertising direct mail costs plus the overhead for space and refreshments add up to a substantial up-front investment. To ensure a reasonable ROI, an effective seminar marketing plan needs to focus equally on getting them in the door, consistently delivering the message that was promoted, and then following up on the sales process effectively.

Currently, much effort goes into making the event happen. However, after it's over, a decline in the sense of urgency often sets in. Yet research shows that follow up with attendees within 24 hours is a major key to conversion. In addition, far less costly and vastly under-utilized are sponsored and client seminars. Response rates are higher, new sales are made, and referrals are received.

In summary, forward thinkers, look at your marketing and prospecting activities and decide:

- How can you shake it up?
- What new ideas have been rattling around the organization and being discarded by members of the “cold water committee?”
- How can you bring them forward so that you can roll past the old marketing and prospecting thinking?

It is time, as a mature industry, to focus on the future, not the past. To accomplish this, turn the page on the old answers. For more food for forward thinkers, visit our web site at

www.richardweylman.com.

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