



Why Clients Ignore Your E-Newsletters

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by Dan Richards

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There are three cardinal sins when it comes to communicating with clients: being inaccurate and misleading; being inappropriate and offending; and being dull and boring.

Even if you don't mislead or offend clients, if you bore them, the time and effort to communicate with clients is wasted. There are six components to doing a great job of communicating online. While some advisors get two or three of them right, almost no one nails all six ... and as a result, you aren't getting the return that you could.

The goals for client communication

Let's start with the reasons for communicating with clients online. It's not to inform them or educate. Nor is it to get clients to invest more or to buy a new product, although the right online communication can open the door to a conversation about that new product down the road.

The goal of online communication is to reassure clients between your phone calls and meetings that you're on top of things, you're thinking of them, they're important to you, and finally to reassure them that when there are dramatic headlines, they don't have to worry because you're doing the worrying for them.

Of course, for clients to be reassured, they have to actually open your emails and then to read them. Clients will tune out your emails if any of these six elements are wrong:

1. length and frequency
2. format
3. language and tone
4. subject line
5. topics
6. source of content

Let's look at each of these.

1. Length and frequency – Adapt to reality on the net

At first, most advisors were slow to move to the online newsletters that replaced the paper versions that had historically been mailed out, concerned about client acceptance of an online version. Today that has changed as almost every advisor has moved to the online format.

But here's the problem: If you look at many e-newsletters, the way they're delivered is all that's changed – the look and feel and text-heavy quality of most online newsletters is exactly the same as their paper-based predecessors. That misses the reality of our attention-challenged online world, which obeys distinct rules:

- shorter communication beats longer communication
- pictures beat words
- more frequent beats less frequent

Another change to tap into the potential of the online medium is to build in interactive components, including instant polls that allow clients to compare their views or knowledge with other readers.

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For e-newsletters to deliver on their potential, the first thing that has to happen is fundamentally rethinking their structure and design.

2. Format – Take a mobile-first mindset

Phones are becoming the primary (and sometimes the only) way consumers interact online. Mobile purchases (referred to as m-commerce) make up more than half of online purchases – and while this is more pronounced among younger consumers, phones are becoming the dominant way that older consumers get information as well.

In my article, *Seven Proven Client Acquisition Tips from American Express*, I described a talk by the CEO of Amex Canada in which he said that an astonishing 80% of new card applications through the digital channel are coming in through mobile devices, something that would have been inconceivable a few years ago. As a result mobile is becoming the gateway to the Amex experience and the manifestation of its brand. That's why Amex aims to make the mobile experience responsive and intuitive and why every new app is mobile enabled and optimized.

Compare that with all too many advisor websites where the mobile experience is an afterthought. Even if you get the format of your online communication right, if your clients can't access it quickly and easily on their phones, they'll quickly move on. (If you haven't logged onto your site on your phone, give that a try – you may be shocked at how clunky the experience feels.)

3. Language and tone – Let your personality shine

Some newsletters are filled with financial jargon that is impenetrable. One advisor gets his mother-in-law to read the draft of his newsletter and to circle all the words she doesn't understand.

But even if you get the level of complexity right, there's a second issue that often arises.

A compliment you sometimes hear these days is when someone is described as being "authentic." Authenticity means that someone is honest and candid in their views and that you can be confident that what they say is what they mean. In a world where it sometimes feels like people are constantly hedging, it's easy to see why authenticity is important to clients. Many e-newsletters

look sanitized and devoid of any sense of the advisor's personality.

Your written communication should read the way you talk. Instead all too many newsletters could have been written by the advisor's compliance officer, with any semblance of individual identify removed. To keep client's attention, don't hesitate to make fun of yourself – people like it when you don't take yourself too seriously.

And don't be afraid to include occasional personal references to your family. Here's an example of how effective that can be. For Thanksgiving last year, a number of advisors with whom I work sent clients a card thanking them for the opportunity to work together and letting them know that as a small thank you they'd made a donation on their behalf clients to a children's home in Africa.

All the cards were well-received, but the more personal the picture, the better the response was. Getting a response that was good but perhaps not great were cards featuring pictures of advisors with their teams. Somewhat better were cards with pictures of the advisors and their families in a posed photograph. But the best response was to a card sent by an advisor who was visiting New York with his wife and young children and had a spontaneous picture taken of the four of them on bicycles in Central Park with big smiles.

The message is simple: When it comes to the language and tone of your client communication, make it feel genuine and like it's you talking. And don't take yourself too seriously.

4. Subject lines – Capture clients' interest

Even if you get the length, format and tone right, that won't help if clients don't open your email.

We know from research that the subject line is the most important factor in getting clients to open your emails. There are a couple of areas where I've seen advisors go wrong. First, some advisors use long, convoluted subject lines. Others use subject lines that are boring with a capital "B" – for example "This Month's Newsletter" or "December Newsletter."

My article, *How to Get Clients to Open Your Emails*, outlined research on the qualities of an effective subject line, starting with being short, ideally no more than three words. To maximize readership, those two or three words must grab your clients' attention and entice them to click "open" to find out more.

5. Topics – Hit client hot buttons

Perhaps the best way to get clients to open and read your newsletters is to deal with the issues they are the most concerned about and matter to them the most. For example, if you were to ask clients about their biggest questions or what concerns them, chances are you'd get answers like the direction of interest rates, the Trump tax plan, the level of U.S. stock valuations (and whether they should diversify outside the U.S. as a result) and perhaps Bitcoin.

Many advisors are reluctant to tackle these topics because it's difficult to take a firm stand on

those complex issues ... and yet it's precisely because of that uncertainty and complexity that clients want to hear from you.

Here's one structure to address a contentious topic that I saw a veteran advisor use many years ago:

- Here's what we know
- Here's what we don't know
- Here's what I'll be watching and where I'm going for more information

To get clients to read your newsletters, you have to focus on the topics that are hot buttons for them, even if you don't have as much information as you'd like. The tendency for some advisors is to wait for more information – at which point the crisis has passed and clients are no longer interested in your views.

6. Content sources – Help clients navigate content

Twenty years ago, we were all scrambling to get an information advantage. Today the challenge for us and our clients isn't getting information – it's navigating the overwhelming volume of information that hits our computer screen.

That's why some advisors with very successful and well-read newsletters do comparatively little writing themselves. Instead they see their role as pointing clients to a few key articles, videos or podcasts from credible sources. I've talked to some advisors who are concerned that not writing the newsletter themselves undermines their credibility – but in truth by becoming the conduit that provides clients with access to expert voices, you don't undermine credibility. You enhance it.

My article, *The Central Question for your Business*, talked about how you position your business. One key for the content in your newsletter is to ensure that the focus of your articles matches the way that you've defined your business – as an investment advisor, a financial advisor or a trusted advisor.

Here are some recent articles and videos that you could have included in your e newsletter:

Articles and videos on investment-related topics:

Robert Shiller: Bitcoin is a bubble (CNBC)

Robert Shiller: Mass Psychology Supports Pricey Stock Market (*New York Times*)

Warren Buffett's Favorite Market Indicator Says Stocks are in Trouble (*Money*)

Warren Buffett: Valuations Make Sense With Interest Rates Where They Are (CNBC)

Warren Buffett (Full Interview on CNBC)

El-Erian Lists Major Shocks That Could Derail the Stock Market (CNBC)

Jeremy Siegel: The S&P 500 is Fairly Valued (*Advisor Perspectives*)

Articles on non-investment-related topics:

Six Ways to Help Elderly Loved Ones Overcome Resistance to Home Care

2017 Businessperson of the Year (*Fortune*)

A Game to Help Students Pay the Right Price for College (*New York Times*)

Don't Delay Estate Planning for the Sake of Your Heirs (*Barron's*)

Aging Parents with Lots of Stuff ... and Children Who Don't Want It (*New York Times*)

How the Wealthy Talk to Their Children About Money (*New York Times*)

Finally, some advisors occasionally include links to lighter viewing and listening in their newsletters – and report that these get some of the best feedback from clients. Below are three examples that advisors have used with good results:

Two Little Girls Explain the Worst Haircut Ever

Dancing Around the World

The Surprising Science of Happiness

Many advisors I talk to say they put lots of time and effort into their newsletters. By re-examining every aspect of how clients view your newsletter, you will dramatically increase your return on that investment.

Avoiding the “business as usual” trap

This is part of a series of articles on the imperative changes for advisors to thrive in the period ahead.

Why Top Performing Advisors are Exiting the Business made the overall case for fundamental change

Your #1 Imperative: Differentiate or Die talked about the need to focus your client base.

Three Steps to Dramatically Happier Clients: Lessons from the Airline Industry argued for a fundamentally different mindset in how you treat your very best clients.

Vanguard's Lesson on Great Client Communications outlined how some of today's most successful investment firms are making videoconferencing technology a central part of their client communication strategy.

The Central Question for your Business posed the most important question for any business and one that is critical for advisors today.

Dan Richards conducts programs to help advisors gain and retain clients, and is an award winning faculty member in the MBA program at the University of Toronto. To see more of his written commentaries, go to www.danrichards.com.