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Modern Marketing

Synopsis: *The financial planning profession may be quietly falling behind the rest of the economy in how it attracts clients—and in the process is endangering its revenue goals.*

Takeaways: *Start with the brand infrastructure, including a strong, clear marketing statement. Deliver content through a variety of channels. And then step into the strange world of social media outreach.*

Megan Carpenter, co-founder and CEO of FiComm Partners, worries that many financial planning firms are in danger of falling behind their revenue goals. As a marketing consultant, she believes that the profession might be deceiving itself about its commitment to organic growth.

“When you look at marketing statistics across the American economy, the lowest marketing spend across all industry categories is manufacturing companies,” she says. “They spend about 4% of top-line revenue on marketing.” Somewhere toward the middle of those statistics, you find technology companies, where the outlay can be anywhere between 12% and 25%, she adds. At the high end, the generic CRM company Salesforce spends 50% of its top-line revenue on marketing.

Where do financial planning and investment advisory firms

fall on that spectrum? “As best I can determine, in our industry the average marketing budget is 1.7% of top-line revenue,” says Carpenter. “Compared to just about everybody else,” she adds, perhaps unnecessarily, “that is very very

The lowest marketing spend in the U.S. economy is about 4% of top-line revenues. Advisors typically spend 1.7%.

low.”

For firms that have all the clients they want or need, this absence of a marketing commitment might not be a problem. But that’s not what Carpenter is experiencing when her firm is called in as a consultant. “Typically, we see advisory firms setting 10% or greater growth goals, year on year,”

she says. “But you have to ask yourself, where are they expecting that additional growth to come from? Are they hoping that clients will give them referrals with greater frequency than they ever have before? Are they hoping that their clients won’t get older or die? Do they project that a lot of clients are going to be receiving inheritances?”

And then, when Carpenter inventories the firm’s current approach to attracting prospects and clients, she’ll encounter outdated web pages, no clear branding or marketing message, no social media outreach and a client service model that has been essentially unchanged for the past decade.

Is this the recipe for above-average growth in a dynamic, competitive marketplace?

Authentic alignment

Carpenter’s interest in the financial services space began when she was hired as a marketing intern while attending the University of Southern California, working for an associate general agent at John Hancock Financial Network. “It was a lot like what you see in financial services today,” she recalls. “They had 120 agents, and all of them were different. They all offered different services, worked with different clients and marketed in different ways. I asked myself: how do you

provide centralized marketing support to an audience like this?”

Upon graduation, Carpenter was given the title of marketing coordinator, serving in various offices of the John Hancock network, moving up to director of marketing and director of business development for a regional agency. She left the insurance BD model in

and strategic communications plans. I feel like there is an alignment with that authentic enthusiasm that we have for the advisors that we serve, and the enthusiasm that they have serving their own clients.”

Brand infrastructure

Let’s take that RIA firm that

messaging document may be the most important part of the brand infrastructure,” says Carpenter. It is not uncommon for her firm to spend days or even weeks in an advisory office, honing a clear articulation of the firm’s mission, who we are, why we do what we do, who we do it for. Interestingly, she’s found that once this essential element is in place, a key benefit is that the staff finally understands who they’re working for and why—and become more enthusiastic about their work.

“The messaging includes reasons why clients would want to work with you, what we call ‘the truth points,’ Carpenter adds. “It should include a good tag line, and some headlines. Any time you’re sending out anything as marketing, you should go back to your messaging document and make sure that you have all the components and you’re telling a consistent story.”

With the messaging document in place, the company description on your social media pages and website become easier to fill. Instead of a LinkedIn page that says your firm provides financial planning and maybe people should work with you, you now have a specific message that should resonate with a specific target audience—or, for larger firms, multiple target audiences. “All people need to know is what makes you different,” says Carpenter. “Your clients need to have a clear, easy way to talk about you with their friends and neighbors.”

The website, meanwhile, will include certain key words used in the right way, not as a full-blown search engine optimization process, but as a way to make sure that you register

The foundation of your marketing makeover is a powerful messaging document. It provides a clear articulation of who you are, why you do what you do and who you do it for.

2012, at age 29, because she thought she had spotted a better business mousetrap.

“Many of the firms I worked for had independent RIAs, and the contrast between insurance agents and RIAs was drastic,” she says. “I was drawn to how they were building their businesses. I focused my time on learning what made them different, and when I started my company in January of 2012, I decided to focus exclusively on the registered investment advisory space.”

In January of the following year, she merged her firm with a public relations firm created by Jason Lahita, her current partner, to form FiComm Partners, currently with 18 employees spread among New York, Los Angeles and Carlsbad, CA.

“I’ve seen the impact that really great financial advisors can have on the lives of their clients,” she says. “The core mission of FiComm Partners is really helping to empower these businesses through innovative

wants to grow at, say, 10% a year (above whatever the market is adding to client portfolios), whose current market outreach consists of asking clients for referrals and waiting patiently by the phone. What does Carpenter’s firm recommend as a more modern, effective approach?

Her advice is to take three bites of this very large apple, starting with a full review and revamp of what she calls the “brand infrastructure.”

“Infrastructure is the foundation that you need to then build additional marketing components onto it,” Carpenter explains. “This includes things like clarifying your brand, refreshing the logo, making sure your website design is modern and responsive and set up to capture information with forms and landing pages, your basic social media profiles, stationary, brochures and pitch decks.”

The foundation of the foundation, so to speak, is a clear, powerful mission statement and messaging document. “The

with Google and the other search engines. “We don’t recommend that companies pay for SEO,” says Carpenter. “It’s too hard to compete with the big brands.”

Content creation & delivery

Once you have the brand infrastructure in place, what next? “Then we turn to content creation and delivery,” says Carpenter. “This is where you think about taking your intellectual capital that is uniquely yours, your expertise on certain topics, your thought leadership, and putting that out in front of your target audiences. Once you have some of this content written and ready for distribution,” she adds, “then you want to put it out to the public.

There are several possible forms this could take, like blogging on a topic, or providing case studies or white papers, or speaking to groups of your target audience. You can create videos and animation, and you can share your expertise and client experiences with members of the media.

“We want you to think about how you can take everything you know and have learned over the years, and how you serve clients, and turn that into content that can be easily consumed by your target audience and the press,” says Carpenter. “If you are a very technical advisor, and clients are coming to you for your expertise, then you are going to write technical copy. If your clients hire you to make sure they have enough to maintain their lifestyle, then your content is going to be drastically different.”

What about that term—what

was it?—right; social media. How do you incorporate that social media thing into this process?

Here in the second bite of the apple, the social media outreach is pretty simple: you post your content on LinkedIn, Twitter, Facebook and have everything driven back to your company’s website.

Carpenter has found herself teaching advisory firms how to make all this posting very simple and straightforward, using an email marketing platform called

about content creation don’t seem to carry the advisory firm too far into that strange uncharted terrain known as social media. That HubSpot thing might be a little complicated at first, but chances are you already do email marketing, and HubSpot takes the pain out of posting on social media accounts.

But... Isn’t Carpenter’s firm a sophisticated millennial advocate of more advanced social media strategies?

It is, but these strategies are

The content goal is to package everything you know and have learned over the years, and your expertise, and share it with prospects and the media.

HubSpot. The same message can be scheduled to go out via email, be posted to your website and all your social media channels. Better yet, HubSpot can hook into your CRM, so you know who received what. “HubSpot becomes the core marketing engine that will inform all of your social, mobile and digital marketing efforts,” says Carpenter.

Of course, the more of this content you have on your website, the more you get what Carpenter calls “organic SEO.” “Content creation absolutely helps improve your search engine rankings,” she says.

Digital marketing

So far, none of this sounds terribly painful. Creating a mission and marketing statement, updating the website and being more intentional

only introduced after the basics have been covered. Then Carpenter advocates a radical shift in the whole way you think about marketing and defining your target client. (The reader is advised, at this point, to strap on the seat belts in your office chair.)

“We want to push everybody into a communications revolution,” says Carpenter. “We want to move everybody into being digital marketers.”

What does that even mean? “This,” says Carpenter, “is where you think about how to optimize all the traditional marketing, the influencer marketing, better strategic public relations, and gathering better consumer intelligence and marketing analytics to power those efforts.”

And how, exactly, do you do that? One way is advertising.

There’s often a long silence

when Carpenter recommends an advertising line item in the budget. “I sometimes lose advisors when I talk about advertising,” she says, “because they immediately think I’m talking about print advertising.”

Instead, Carpenter invites them to think about Facebook. You can upload your client email addresses—apparently with ironclad guarantees that this information will be deleted by Facebook and not shipped to

who receives your messages by geographic region.

Carpenter shows her advisory clients how to use promoted or sponsored posts, which would put your content directly in front of prospects who it’s written for. And of course, you can do something similar with LinkedIn, applying the psychographic insights you got from Facebook. “LinkedIn doesn’t have the same cloning capability

landing page, provide his/her email address, and get the content or invitation that you’re offering. As part of your content creation, you’re building an audience of people who are just like your current clients, who you can send other content to directly—and there’s a good chance they’ll eventually walk in the door for an old-fashioned face-to-face conversation.

“Every single brand in America is doing this now, and we are so far behind,” Carpenter laments. “I think we are being short-sighted as a profession to think we have such strong personal relationships and connections that we can’t utilize digital marketing opportunities to build our businesses.”

You can apply the psychographic insights from your Facebook analysis to your LinkedIn marketing efforts.

Cambridge Analytica—and a series of algorithms built by Facebook engineers will compare those email addresses to the Facebook accounts those addresses are connected to, and look for things they have in common. The output is a psychographic profile of your clients that is more detailed than your visceral sense of who you’re serving.

“This is what I mean by customer intelligence,” says Carpenter. “You use these tools to learn a tremendous amount about your clients—their preferences, how they engage; it is incredible what you can learn.”

That, in turn, allows you to create a list of prospects, all Facebook users, who look exactly like your existing database. Then you put an advertisement on Facebook (using the targeted language in your messaging document) that is targeted to that very specific segment of the total user population. You can also constraint

that Facebook does—yet,” Carpenter explains. “But LinkedIn allows you to focus on the different factors you learn about when you have this customer intelligence in hand. You can target your messages and advertisements by job title, by industry, by groups, by geography.”

But for what purpose? Carpenter says the optimal strategy is to make people aware of you, and then make an offer.

“You have to offer them something that they’re interested in,” she says, “and that could be anything from a white paper, to an offer to attend an event, an offer to download a workbook or listen to a podcast. You’re giving them access to content that you created in step two.”

Remember in step one when you created interactivity and separate landing pages on your company website? The interested party, who is definitely in your target audience, will follow a click to a specific

Client service and convenience

So that’s all, right? Actually, Carpenter has been talking with planning firms about something even more basic than the mission statement and core marketing message: their client service processes.

“Companies like Amazon are changing client expectations when it comes to the buyer experience,” she says. “If the wealth management industry doesn’t work really quickly to keeepsake, we’re going to be left behind.”

Increasingly, the core client expectation is that you’ll be easy to work with, and the bar is rising. “All of us who use Amazon feel like Amazon knows us,” says Carpenter. “It understands our preferences. It gives really great recommendations based on our history, and it delivers things in two days, for free.”

Carpenter compares this with

the clunky experience with her financial planner, who is maybe more advanced than most. “I couldn’t do anything with a financial advisor until he sent me a UPS package about two inches thick, with paperwork that my husband and I had to sign,” she says. “And then when we sent it back, there were multiple phone calls. “Did you receive a package? Did you sign everything? Did your package include a check? We had to have so many touchpoints just to get an account open, it was annoying.”

Of course there was no text messaging, which Carpenter, an older millennial, prefers. She doesn’t receive content from the advisor on her smartphone. “Your clients want these things, even the older ones,” she says. “Are your portals easily

accessible on smartphones? Do you have electronic signature capabilities that are really easy to sign and acknowledge on a smartphone? Are you sending alerts and indicators via text message or an app?”

Advisors of the future, Carpenter says, are going to have to do more than just ask for referrals. They’re going to have to offer an easy, pleasant experience, easy access to their advisor and their own information, accommodation of their communication preferences and a clearer understanding of what they’re interested in and who they are. Through the marketing approach, they want an easier, clearer way to talk about their advisor to others, and when those others go online, they will want to see a modern website

and content that relates to them.

The point here is that the financial planning profession is not only way behind in its investment in marketing, but also in its sophistication in an increasingly sophisticated, customer-centric world.

Carpenter is trying to help the profession achieve those 10%+ growth rates that many are optimistically projecting to the end of time. But she points out that nobody else in our economic landscape seriously believes that will happen by asking clients for referrals and waiting by the phone. Advisors can either get more sophisticated about marketing, or get left behind by the rising tide of sophisticated competition and customer expectations. ■