VII. Mezinárodní konference EFPA Česká republika
Od odbornosti k úspěšnosti
26. 9. 2018
Building a professional & future fit practice

Edden Kift
PortfolioMetrix
Transition

The *process* or a *period* of changing from one state or condition to another
Where are we headed?

> **Industry:** economic activity concerned with the processing of raw materials and manufacture of goods in factories (and their distribution)

> **Profession:** a paid occupation, especially one that involves prolonged training and a formal qualification (such as accountants, doctors, lawyers)

<table>
<thead>
<tr>
<th>PRODUCT</th>
<th>ADVICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Giving clients what they want</td>
<td>Involves holistic financial planning</td>
</tr>
<tr>
<td>Knowledge of products required</td>
<td>About client needs, goals, aspirations</td>
</tr>
<tr>
<td>Relationships with product suppliers</td>
<td>Client relationships are key</td>
</tr>
<tr>
<td>Commission type remuneration</td>
<td>Fee based remuneration</td>
</tr>
<tr>
<td>Key to success: <strong>ability to sell</strong></td>
<td>Key to success: <strong>ability to build trust</strong></td>
</tr>
</tbody>
</table>
The ‘How’

- Value proposition
- Segmentation
- Processes
- Differentiation
- Working IN vs ON a business
- Roles Responsibilities
- Service levels
- Client feedback
- Fees
- Life transitions
- Building trust
- Return on LIFE vs INVESTMENTS

VII. Mezinárodní konference EFPA Česká republika
Focus on the strengths

Client generation

Client interaction

Where advisers add most value

Client service

Marketing

Knowing clients

Client strategy

Power of partnership

Monitoring / Reporting

Client-centric solutions
Building trust – a TOTAL business experience

- Trust
  - Character
    - Intent
    - Caring
    - Transparency
    - Openness
  - Competence
    - Integrity
    - Honesty
    - Fairness
    - Authenticity
    - Skills
    - Knowledge
    - Experience
  - Results
    - Reputation
    - Credibility
    - Performance
What drives client loyalty?

- **Why**
  - 53%

- **How**
  - 19%
  - 19%

- **What**
  - 9%

Source: CEB Sales Leadership Council
The value proposition

➤ **Get clients.....keep clients**

➤ A value proposition is the DNA of a business that differentiates it from other financial planning businesses

➤ Advisers need to identify that *one thing* that defines and demonstrates their value to their clients

➤ Understand what prevents your business from delivering its value proposition...then solve it

➤ A fee can be charged when the adding of value is demonstrated

➤ My adviser gives me peace of mind, total clarity and the confidence that my affairs are in good hands.....that’s why I pay for the service

➤ And....it’s about the experience provided by the *entire* business
South Africa and RDR

- **Remuneration** of advisers by clients (not product providers)
- **Quality** of advice AND clients is critical
- **Profitability** should be a focus
Transition to fees

- Understand what it costs to deliver your value proposition when onboarding and looking after clients
- Consider how many hours you have available to spend on client activities
- Do the numbers to reach a balance between capacity and income generation
- Focus on ideal clients
- Be clear on the relationships: are you being paid by the client or the product supplier?
In closing.....

> “Do less than customers expect and service is seen as bad. Do exactly what customers expect and service is seen as good. But do more than customers anticipate and service is seen as superior.”

*Paul Dorrian, Intensive Customer Care*

> “Do it now. The business obituary pages are filled with planners who waited.”

*Harry Beckwith, Selling the Invisible*