



ADVISER BUSINESS REVIEW

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**Onboarding
new clients**

Onboarding new clients

We look at how firms targeting specific client types are using a variety of methods, including electronic processing, to bring them onboard

Identifying the right client type and then the best methods to attract them is part and parcel of growing a successful business and sees adviser firms using similar but different processes to bring clients onboard.

Towcester-based Fortitude Financial Planning relies primarily upon professional connections and referrals from existing clients to attract new business.

Director Neil Bailey says: “We have devised ‘Fortitude Freddie’ which is a description of our ideal client and that is at the forefront of our mind whenever a prospective client makes contact with us.”

He adds: “We look after a limited number of clients and pride ourselves on offering a high level of service, so we try to avoid working with those who do not fit the profile.”

It is an approach shared by Paradigm Norton, which has created its own “Paradigm Pete,” encapsulating the attributes of its model client.

The firm, which has 750 clients, says referrals are its greatest source of new business. As well as



Michelle Hoskin,
business coach

referrals from existing clients, Paradigm Norton also has a joint venture with a law firm in Torquay.

Identifying the type of client that advisers are most happy working with is key to building a successful business, agrees business coach Michelle Hoskin. She recommends advisers look at their client bank and write down the names of their 10 favourite clients – those clients they really look forward to spending time with.

She says: “My advice would be to take those clients out and explain that they’ve identified them as one of their favourite clients and want to find more clients like them. It’s about having an honest and open conversation and feeling comfortable asking them for referrals.”

Scoping out prospective clients

An initial chat with a prospective client is the favoured next step, providing advisers with the opportunity to scope out whether they’ll work well together.

Fortitude Financial Planning says its advisers use the

call as an opportunity to fact find, establishing what the potential client is looking for and the assets they have.

Bailey says: “If it appears they do meet the client description we are looking for, we would invite them to the office. If not, we would seek to refer them to another firm we know well. We would only agree to a home visit for exceptional purposes.”

He adds: “Our first face-to-face meeting is really about making sure we understand their goals, they understand what it is we do and to decipher whether we would make a good fit.”

Paradigm Norton follows a similar process. It is always an adviser who makes initial contact with the prospective client in what chief executive Barry Horner describes as “the chance to sound each other out”. Potential clients are then invited to meet with the adviser in person.

Ahead of the meeting, Paradigm Norton sends out some background information on the firm, as well

as booklets that might be of interest to the client's individual circumstances. While the firm doesn't request financial data at this stage, Horner says some clients have a record of their assets and liabilities which they can pass on to the firm.

But while a face-to-face meeting with an advisor is the traditional method favoured by the industry, some firms are exploring other ways to engage with prospective clients.

Embracing technology

LEBC Group, which has 15 branches across the country, offers clients the choice of meeting with an adviser in person, or dealing over the phone or via email.

Chief operating officer Jeremy MacLeod believes it's about providing a "multi-channel system" that gives clients the option to engage with an adviser in a way that suits them.

He explains: "I think as an industry we need to be better at meeting the needs of the client. You

might have a client who is happy to do a lot of the initial work and the advances in technology and the willingness of the consumer to use that technology has helped dramatically."

MacLeod says very simple, straightforward matters could be dealt with over the phone and more complex matters in person.

Ahead of working with a client, the firm requests financial data but says the questions are filtered according to the individual's specific set of circumstances, and can be provided in person, over the phone or via a secure online facility.

"The advice gap is a very real issue; there is a huge market not being looked after so we want to make it as easy as possible for people to work with us," MacLeod says. "We are seeking to offer what we call 'bionic' advice as opposed to robo-advice."

If a prospective client wishes to have a face-to-face meeting, they have the option to visit one of LEBC's offices or have the adviser come to their house.

“We want to set out our stall and make clear that we can offer whatever level of service people require and are flexible and adaptable,” MacLeod says.

Changing client expectations

MacLeod says LEBC's particular onboarding process has been driven by client demand, noting that the business has evolved over recent years from a traditional advisory firm to one providing advice to large corporate entities, which might have thousands of employees requiring advice on a one-off basis.



Neil Bailey,
Fortitude
Financial
Planning

“Our process in bringing new clients onboard has happened rather organically,” MacLeod explains. “There is an expectation among the younger generations that they can have easy access to information and help. We are simply seeking to keep up with the times.”

Paradigm Norton's onboarding process has also evolved organically over the 15 years since it was formed. Horner says the firm welcomes suggestions from clients and the “tried and tested” methods it uses both in its onboarding process and ongoing service is largely client-led.

Horner meets bi-annually with a board of 10 clients who provide feedback on every aspect of the business, including the onboarding process. He says: “We monitor our Net Promoter Score, which provides us with an indication of how happy clients would be to refer to us. A score above 60 is considered good and ours currently sits at 75 so we are pleased with our progress.”

Asking for feedback is crucial in helping firms



Jeremy MacLeod,
LEBC

understand how clients perceive the business.

Fortitude Financial Planning uses both informal and formal methods to request feedback.

“We always ask clients how they’ve found the process, but in addition we use a third party to carry out a telephone survey. This enables us to

get real, comprehensive feedback which we can then act upon,” says Bailey.

And it isn’t just the adviser who is being reviewed. Increasingly, the advice process appears to be very much a team effort for firms. Bailey says clients are introduced to members of the Fortitude team when they visit the office, and he also encourages clients to build relationships with the support staff.

Similarly, Paradigm Norton provides clients with access to the team beyond their adviser, and says many of the firm’s larger clients have a dedicated team of three or four working on different areas of their financial matters.

Horner says: “If a client visits our Bristol office, they will get to know our entire team. That dynamic is slightly different for our London-based clients, but we do work hard to ensure they feel comfortable speaking to different members of the team and create a relationship whereby they often refer to a member of the support staff in the first instance.”

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