Turning Satisfied Clients into Enthusiastic Promoters

How Financial Professionals Can Ask for Client Referrals

Imagine how easy your job would be if your current clients, acting as an army of volunteer marketers, brought you all the leads you'd ever need. Such a life isn't just possible—it's already been done and in a massively successful way.

Marc Minor is the founder and CEO of Legacy Investment Services, Inc., which serves financial advisors and investors through its businesses, including Advisor Nation and Advisor Controls. Collectively, these companies manage more than $10 billion in assets. Despite such success, Marc remains committed to staying on the front lines. He's still an active producer with a book of business worth more than $500K—and every client he has was introduced through a referral.

Inspired by Marc's achievement, we created this e-book to explore the power of referral marketing and offer specific techniques, including those used by Marc, that you can implement to build a referral engine for your own financial services business. Before you know it, asking for referrals will feel natural and fluid, making it a seamless part of your business process.

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01

Why Referrals Matter

In today's competitive landscape, referrals are the lifeblood of any successful business, but they are especially important for independent professionals like financial advisors. Every solopreneur needs to get the biggest return on the smallest possible investment, and referrals fit that bill.

A wide range of research indicates that referred clients are more likely to convert, cost less to acquire, have a higher lifetime value, and are more loyal than those found through other marketing channels. But let's be honest—securing referrals can feel daunting, especially when you're unsure about how to ask for them. And even more intimidating can be the work needed to nurture the kinds of relationships with your clients that make them eager to advocate for your success.

This e-book is designed specifically for busy, ambitious financial professionals like you. By the end of it, you'll have a clear blueprint for building a foundation capable of attracting referrals, mastering the art of the ask, and harnessing the power of client reviews and recommendations. We'll also explore how to cultivate long-term relationships that keep referrals flowing for years to come.

02

How to Build a Referral-Ready Foundation

Creating a successful referral strategy may require you to implement a shift in your mindset. It's essential that you move beyond the mentality of simply signing the next advisory agreement and focus instead on cultivating lasting client relationships built on trust and an outstanding commitment to always putting your clients' needs first.

So how can you achieve this?

Build Deeper Relationships with Clients

A 2023 survey of 1,000 clients by Absolute Engagement and Investments & Wealth Institute found that while 93% of clients are satisfied with their advisor, only 35% of them make referrals. Even worse, advisors routinely report that in reality, less than 5% of their clients provide them with referrals.

Per the report, analysis of the survey results reveals that "clients who are inclined to share their concerns with their advisors tend to make more referrals, underscoring the importance of deepening relationships to reveal client worries." For Tim Whiting, chief revenue officer of Investments & Wealth Institute, this means going beyond perceptions, preferences, and expectations and "getting inside the heads of clients to understand their true needs, delivering the services that respond to those needs, and securing the certifications and designations to do so credibly." In other words, the true client satisfaction that translates to referrals only occurs when advisors become trusted confidantes, not just service providers.

Prioritize Transparency and Consistency

Trust is built when you communicate in ways that are easily understandable, unambiguous, and truthful. Always keep your promises, delivering what you say you will and when, and be proactive about keeping your clients informed, especially during times of economic uncertainty or volatility.

Just as important, demonstrate that your relationships with your clients are, in fact, important to you by giving them ongoing, routine attention. After all, you can't expect a client to refer you if they haven't heard from you since their last annual review.

Fortify Your Social Media Presence

You can be sure that prospects will look to your profiles to assess whether you're someone they'd want to hire. While adhering to compliance regulations, post about your successes to show you can do the job, but don't neglect to offer information that is educational and entertaining as well. Additionally, share aspects of your personal life while being true to yourself—who your potential clients see online and who they meet in person should be the same.

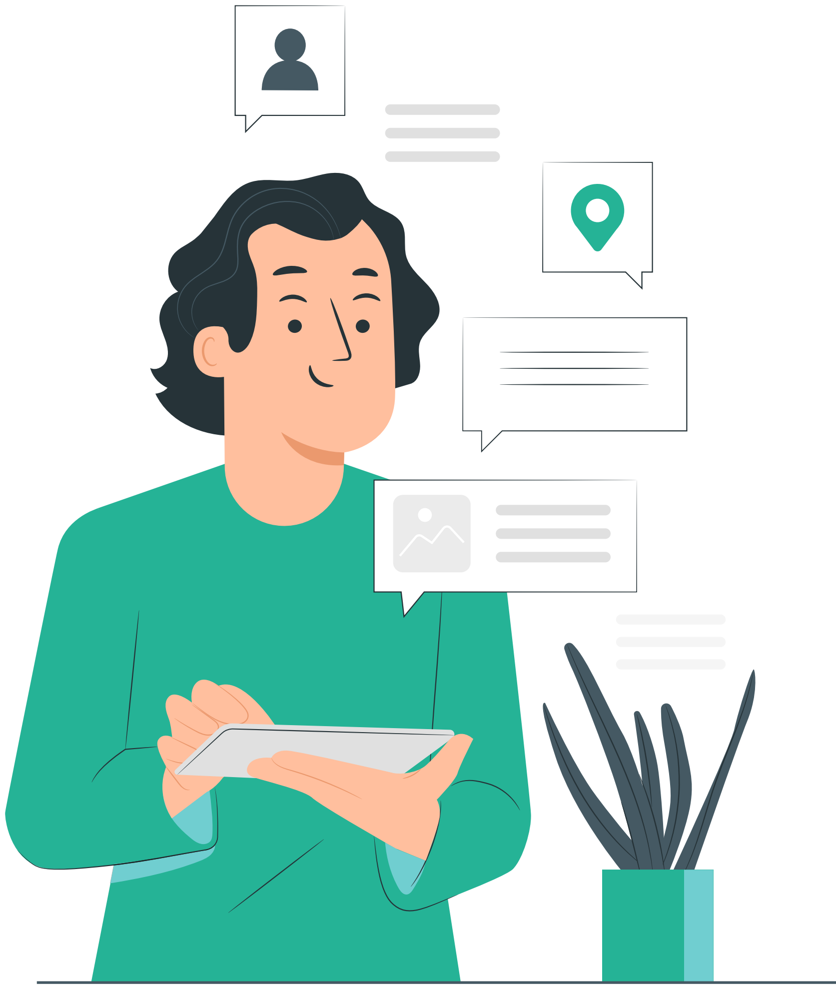
Deliver Exceptional Service

Exceptional service isn't about just getting the job done; no one shouts the praises of a professional who simply does what they were paid to do. To truly make an impression, you need to put your clients' needs first and exceed expectations with every encounter and at every touchpoint. Here are three keys to consider:

- **Go the extra mile.** This could mean anything from agreeing to meet a client at a location more convenient to them than your office to following up with a call after your newsletter is mailed to ask if they have any questions about what they've read.

- **Provide added value.** Every client has needs that go beyond what's involved in managing their money. So besides the services for which you are paid, have a list of trusted strategic partners you can refer them to for whatever assistance they may need. These should be professionals whose client base overlaps with yours but don't compete with you for business and who would be willing to recommend you in kind. Examples include an a real estate agent, a lawyer, an accountant, a notary—essentially any service provider able to assist your clients in other areas of their lives.

- **Serve the entire household.** You've undoubtedly heard about the large percentage of women who change their advisors once their spouse has passed, and you've likely experienced the challenge of trying to make inroads with the next generation of beneficiaries. That's why it's important to form connections with the client's entire family; if their spouse and children can grow to know, like, and trust you, they won't even think to switch to a different advisor.



03

How to Ask for Referrals

Now that you've built a strong foundation to bolster your strategy, it's time to master some of the finer points of asking for a referral.

Time Your Request

When seeking referrals, you have to be strategic about the timing. It should feel like a natural extension of the relationship. The first, second, or even third meeting may not be the ideal moment to bring up the subject because your client may still be "feeling you out," wondering if they can trust you. You might need to give it a bit of time to get your connection solidified before seeking their assistance.

The best opportunities to ask for a referral are when your client is feeling positive and enthusiastic about your services. Consider these ideal instances:

- **After completing a request:** Beyond monitoring a client's portfolio, there are many opportunities to satisfy them through fulfilling additional requests. When you effectively respond to a particularly unique ask, make a point of expressing your pleasure in being able to help and let them know you're happy to assist anyone else they know who might be struggling to solve a problem.

- **During a regular check-in:** Schedule frequent touchpoints with clients to stay connected, provide updates, and remind them of the value you offer. And if their portfolio has experienced a satisfying gain, you don't need to wait until a scheduled call—reach out and take the time to explain how you were able to capitalize on a bullish period or apply an insightful strategy. Such thoughtfulness and proactiveness will prime them to respond positively to a referral request.

  Our personally branded magazines are great for this as well because they give you a reason to call. All you need to do is ask if they've received your latest issue and enjoyed its content. This provides the opportunity to let your recipients know you're available to help them or anyone else in their circle who may need your expertise.

- **Any time they say how great you are:** Receiving unsolicited praise is a prime indicator of your clients' heightened sense of contentment. Compliment them back, such as by saying they're easy to work with, and offer to help someone they know who may have a need for your services. An equally great moment is when they tell you that you helped them out of a bind—psychologically speaking, they owe you.

Script Your Approach

In our Resource Library, which offers an ample supply of helpful tools, e-books, and other assets, you'll find detailed referral scripts tailored to different client types that walk you through the entire conversation, making it easy to get to the ask.

Below, you'll also find some simple scripts you can use as guides for your conversation, adapting them to the situation and your relationship with your client. You may not get a referral right away, but that's OK—the goal is simply to ensure that your name remains top of mind when a referral opportunity presents itself.

Scenario 1: After Fulfilling a Request

"I'm thrilled we were able to set up that pension transfer for you! I truly appreciate your trust and confidence in me. Many of my clients like to recommend my services to friends and family who need similar assistance. If you ever hear of anyone in your network thinking about making a similar transfer, I'd be incredibly grateful if you kept me in mind."

Scenario 2: In the Course of a Regular Check-In

"It's great to connect with you again! I'm calling to check in and ask how things are going. The last time we spoke, you wanted to start exploring options for funding your children's college educations. What can I help with?"

[Let client respond.]

"Much of my business comes from happy clients like yourself referring me to their friends and family. I'm always available to help anyone who might benefit from having a financial advisor, particularly if they are looking to set up college funds. Would you be comfortable mentioning my name if the situation arises?"

Scenario 3: During a positive interaction

"Thank you for that great feedback! I'm pleased that you're happy. It's always my goal to make sure my clients are satisfied. If you find out that a friend or family member is also wanting to set up an early retirement plan, I'm ready to help. I'd love to work with more clients like you."

Be Specific in Your Request

Don't just ask for a generic referral. The more specific you are about your ideal client profile, the better equipped your clients will be to identify potential referrals. For example, instead of saying, "Do you know anyone who might need my help?" try something like "I'm particularly interested in connecting with investors who are looking to [X]. If you know anyone who might fit that description, I'd be grateful if you would connect us."

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04

How to Encourage Reviews and Recommendations

Customer reviews, recommendations, and referrals are all interconnected pieces that build trust and drive new business. Specifically, reviews and recommendations are public endorsements of your business, shared online or through word of mouth. Positive reviews on platforms like Yelp or Google, along with recommendations from satisfied clients, act as social proof, showcasing the value you deliver, building trust, and increasing the confidence of potential clients considering your services.

Make It Easy for Clients to Refer You

Even the most enthusiastic client might hesitate to provide a review or recommendation if they don't have an easy way to do so. As long as you adhere to the SEC Marketing Rule, you can empower yours to spread the word about your prowess as a financial advisor by simplifying the process for them through one or more of these methods:

- **Provide direct links to multiple platforms.** Since Google distributes the majority of all online reviews, you'll want to prioritize this platform. (You can find instructions for generating a Google review link **here**.) Of course, you should still give your clients a choice of platforms. You can also ask if they'd be willing to allow you to share their reviews on other sites.

- **Include instructions in your request.** Don't assume that everyone will know how to navigate a form or site. A short set of instructions can clear up any possible confusion.

- **Add your request to your digital communication.** Point people to your review link(s) in your email signature line, at the end of texts, in your newsletter, and on your website—anywhere that's appropriate. Use visual devices like different font colors to draw their attention to them.

- **Encourage reviews on social media.** Post links to review sites on your profiles along with reminders for clients to add theirs. Take the opportunity to engage with your audience by thanking them for their comments.

Capitalize on the Power of Testimonials

Like online reviews and recommendations, testimonials are a form of social proof tailor-made for the digital age. It's been well established that people trust recommendations from peers (even if they're strangers) more than traditional advertising. Endorsements from satisfied clients will speak to your professional skills, promote the value you provide, and increase the likelihood that potential clients will feel confident in your services.

Here's how to leverage the strength of testimonials to boost referrals:

- **Collect compelling testimonials.** Proactively request written statements from satisfied clients. Let them know that the most beneficial ones focus on specific results, positive experiences, and the impact your services made.
- **Showcase testimonials strategically.** Feature them prominently on your website, marketing materials, and social media pages, and rotate them to highlight a variety of client experiences.
- **Use video testimonials for maximum impact.** Authentic videos add a personal touch and enhance credibility. Encourage satisfied clients to share their stories on camera, explaining how you helped them achieve their goals.
- **Integrate testimonials when reaching out to a referred lead.** When following up on a referred lead, consider including a relevant testimonial that resonates with the potential client's situation. This reinforces your value proposition and builds trust before you even have a conversation.
- **Create a dedicated testimonials page.** Include a page on your website meant solely for promoting client testimonials. You might consider categorizing them by client type or niche for easy navigation.

Listen to Marc Minor's interview on our *Stay Paid* podcast to get his step-by-step plan for planning scalable and repeatable client events that your business partners and vendors will pay for!

Share Your Appreciation

Don't underestimate the power of expressing your gratitude; a heartfelt thank-you can go a long way toward strengthening client relationships and prompting referrals. Consider these ways to show your gratefulness:

- **Host client appreciation events.** Remember Marc Minor from the beginning of this e-book? For years, his primary means of generating referrals has been to host client events. He creates ones that are so incredible, they compel clients to bring members of their spheres with them knowing that they are essentially handing him their best referrals.
- **Send personalized thank-you notes.** After closing a deal or completing a service, take the time to handwrite a thank-you note. You can also acknowledge important events like birthdays by sending personal cards. Handwritten notes are a bit of a rarity, so you know yours will be opened and appreciated.

05

Cultivate Long-Term Relationships

Developing long-lasting relationships takes time and no small amount of work. Still, both are necessary to ensure a steady flow of referrals that can eventually make up a significant portion of your business. When they become a primary source of new leads, you can invest money that would otherwise be spent on buying leads elsewhere, step off the hamster wheel that keeps you chasing new clients, and begin living the life of freedom that a career as an independent financial professional promises.

The key is to have a system that allows you to keep in regular contact with each person in your database, providing value at every touchpoint.

As specialists in relationship marketing, we at ReminderMedia are eager to help. For over 20 years, we've worked with more than 100,000 clients whose goal is to close more deals and retain more business. Our [unrivaled tools and services] help financial professionals cultivate strong relationships and maintain the top-of-mind awareness that generates organic leads.

Click to get your free sample copy

We have [a host of high-quality print and digital tools] that keep you consistently connected and in front of your audience and sphere, including your clients. From the gold standard in personally branded magazines to automated social media content that you can literally set and forget, we help ensure that you retain more AUM and garner more referrals. [Book a call] with one of our marketing experts to explore the many ways we can assist you in building and nurturing relationships with your clients and ensure that you are the only financial services professional who comes to mind when someone asks, *Do you know a good financial advisor?*

Conclusion

By implementing the strategies outlined in this e-book, you can transform your client base into a powerful referral engine. Remember that referrals are built on trust and exceptional service and require you to make it easy for your clients to rave about your skill and success—but for that to happen, you need to remain in touch with your sphere. With ReminderMedia's best-in-class relationship marketing tools, we can help relieve the stress of staying in consistent touch with your most important clients. **Schedule a call**, and we'll show you how.