



# The Golden Hour

It's not the clients you win; it's the clients you keep



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# Today's topic:

How to accelerate growth  
by stopping client loss



**I•GC** Invesco  
Global  
Consulting

# Helping financial professionals get, keep and optimize business



**R.A. PRINCE**  
& ASSOCIATES, INC.

# International researcher and expert on the private wealth industry and financial professional-client relationship

maslansky  
+ partners



# Word specialist and leader in uncovering emotional responses to language

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**181** affluent investors who left their  
financial professionals in last 3 years

## **2 RESEARCH STUDIES**



**405**  
**FINANCIAL PROFESSIONALS**

Study of 181 affluent investors with >\$1M in investable assets who had left their financial professionals in the last three years, conducted by R.A. Prince & Associates, Inc. under proprietary contract of Invesco Global Consulting during the second half of 2015. Used with permission.

Study of 405 financial professionals, conducted by R.A. Prince & Associates, Inc. under proprietary contract of Invesco Global Consulting during the second half of 2015. Used with permission.

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**WHO**

is at risk?

**WHAT**

is the cause?

**HOW**

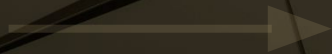
is it fixed?





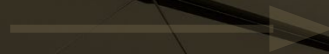
**WHO**

is at risk?



**WHAT**

is the cause?



**HOW**

is it fixed?

**WHO** is at risk?

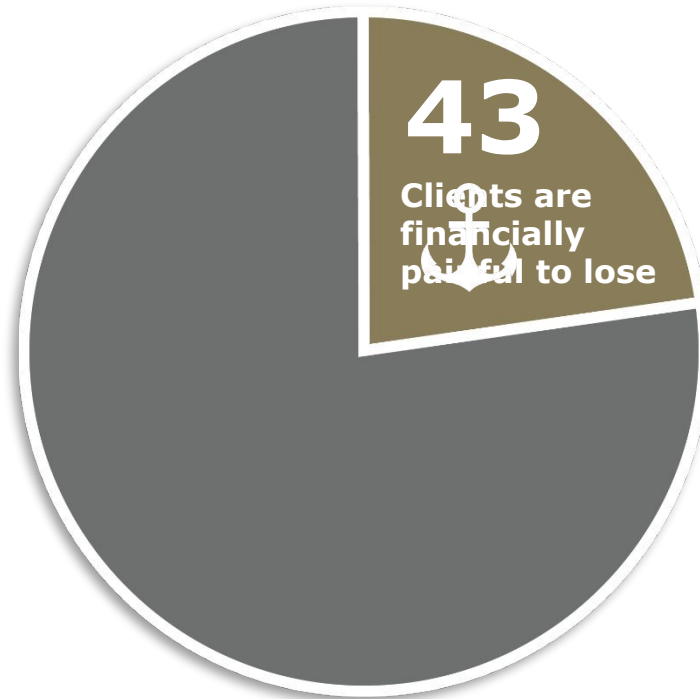
# ANCHOR CLIENTS



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**WHO** is at risk?

## Average total clients for 405 financial professionals...



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# WHO is at risk?

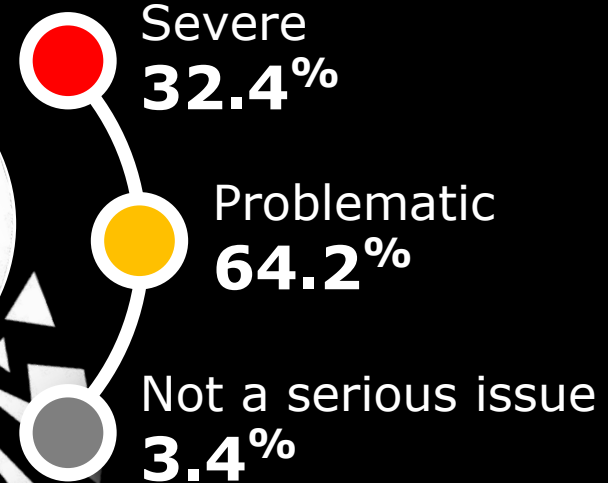


**72.2% OF FINANCIAL PROFESSIONALS LOSE  
AT LEAST 1 ANCHOR CLIENT PER YEAR**

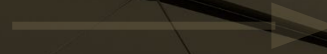
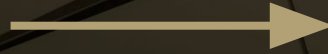
Source: Study of 405 financial professionals, conducted by R.A. Prince & Associates, Inc. under proprietary contract of Invesco Global Consulting during the second half of 2015. Used with permission.

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# Revenue impact from losing **ANCHOR CLIENTS**



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**WHO**

is at risk?

**WHAT**

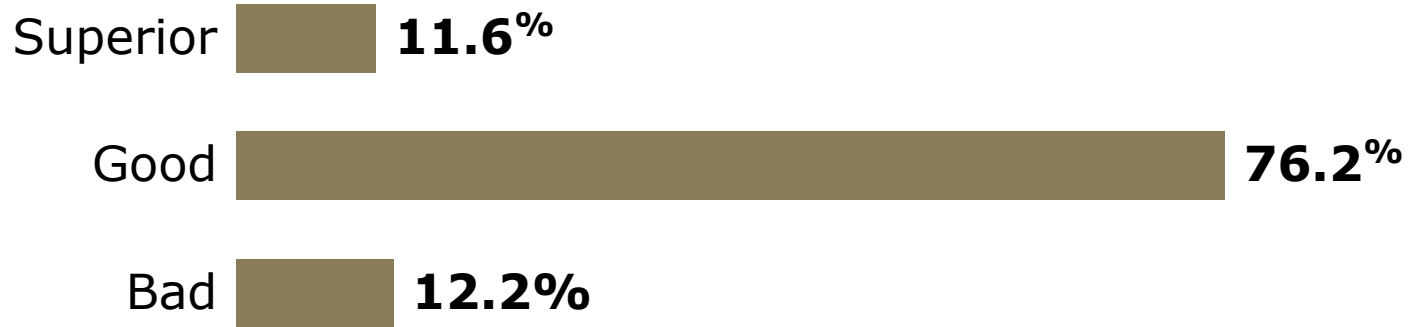
is the cause?

**HOW**

is it fixed?

**WHAT** is the cause?

***How investors that left regarded  
their financial professionals' performance:***

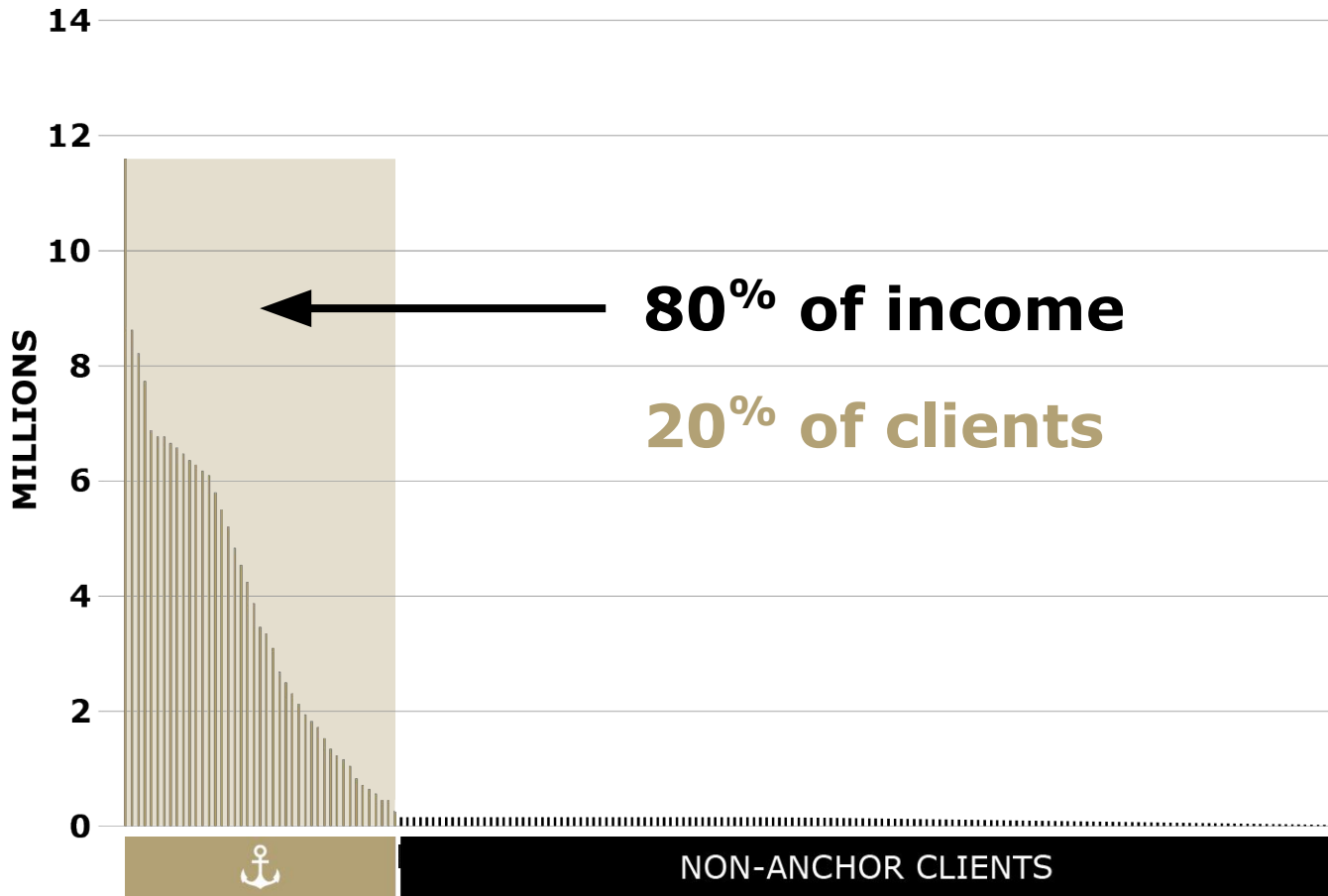


**Performance NOT driver for leaving**

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## CLIENT ASSETS UNDER MANAGEMENT

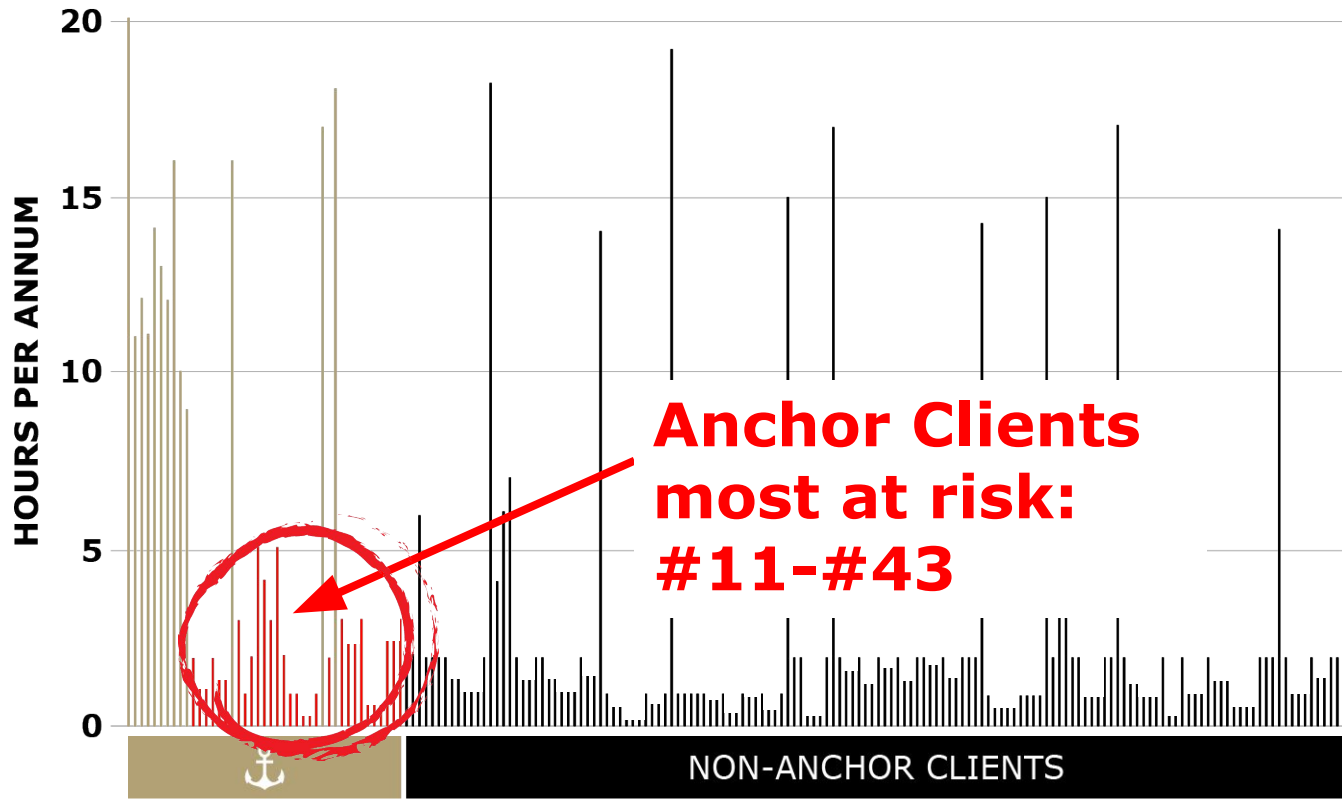


Source: Study of 405 financial professionals, conducted by R.A. Prince & Associates under proprietary contract of Invesco Global Consulting during the second half of 2015. Used with permission. Each line represents one client.

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## ALLOCATION OF TIME BY CLIENT



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**WHAT** is the cause?

## CAUSE OF COMPLACENCY



**PERFORMANCE**



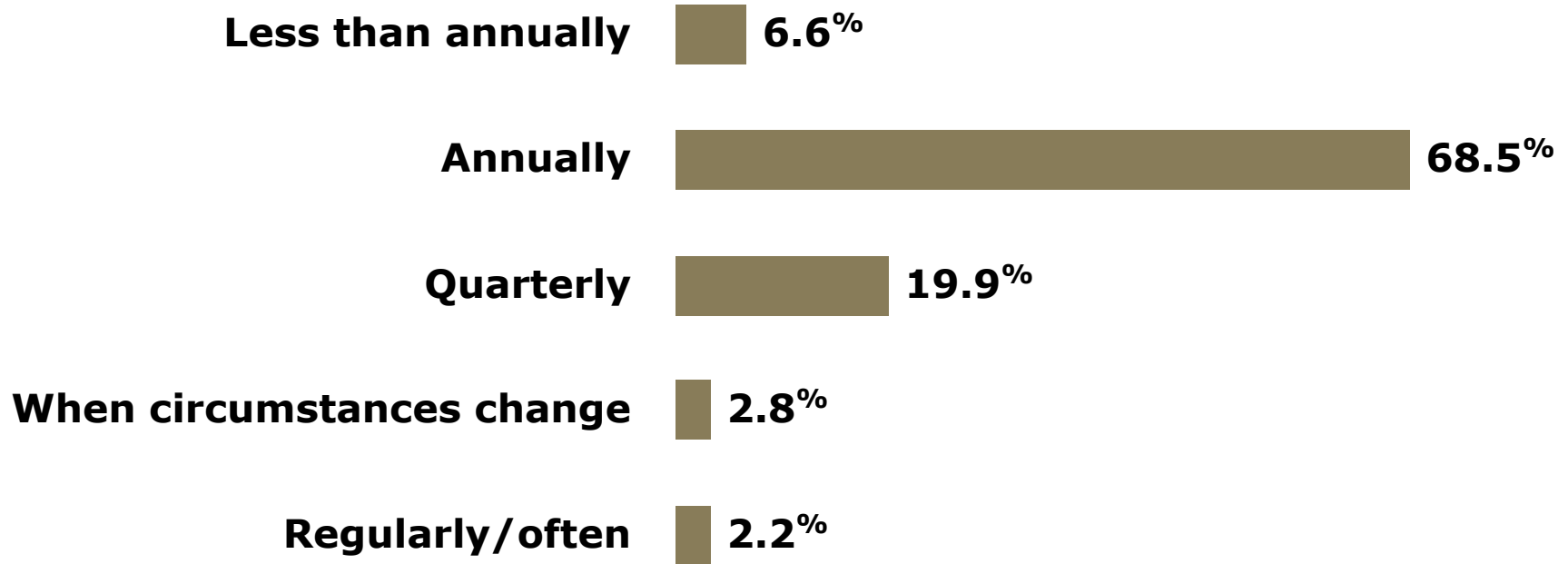
**SILENT**



**CLIENT**

**WHAT** is the cause?

# CONTACT WITH FINANCIAL PROFESSIONAL



Source: Study of 213 affluent investors with >\$1M in investable assets, conducted by R.A. Prince & Associates, Inc. under proprietary contract of Invesco Global Consulting during the fourth quarter of 2016. Used with permission.  
Contact = any form of interactive contact including telephone interactions, in-person meetings, text messages and/or email exchanges.

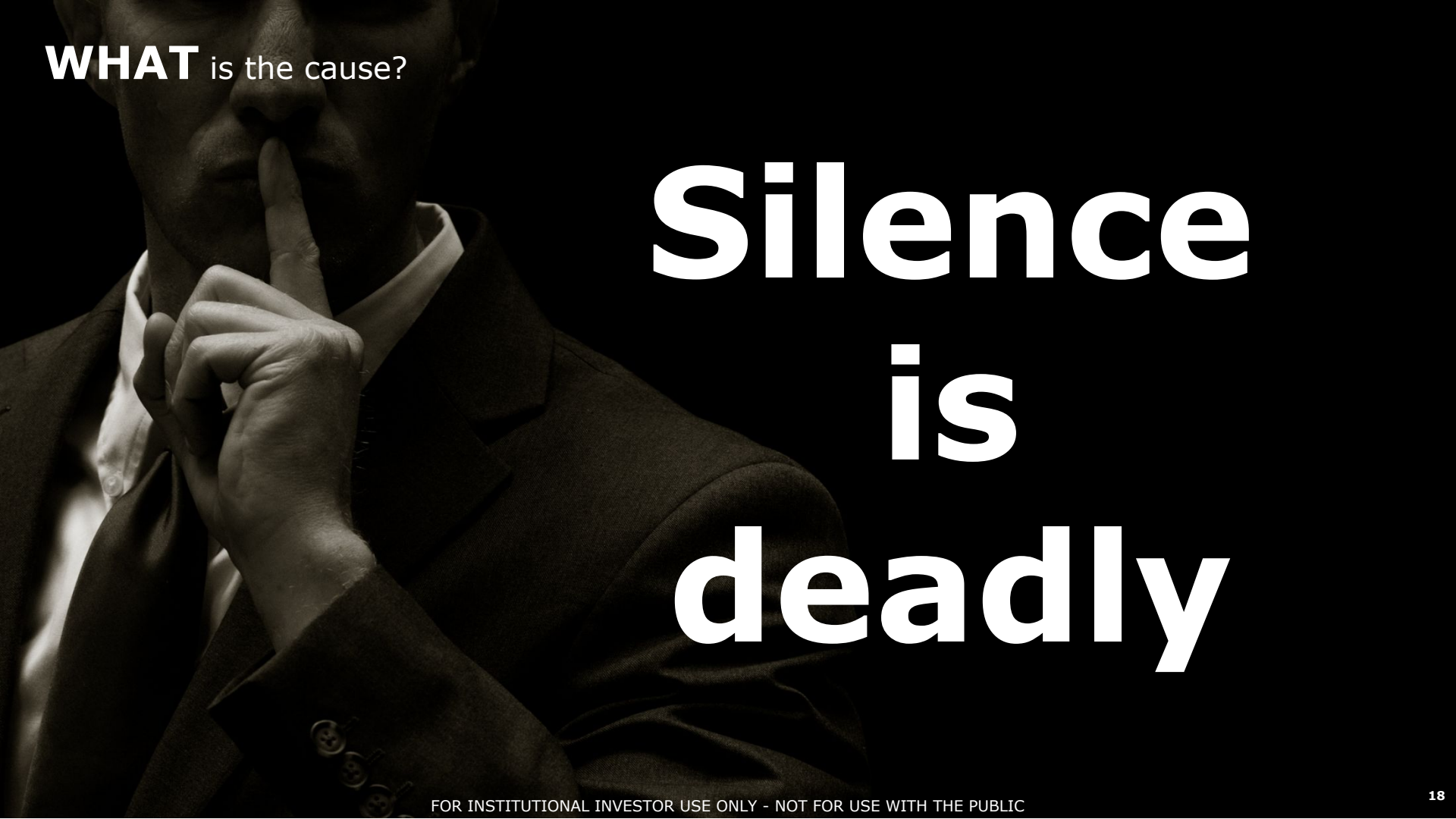
**WHAT** is the cause?

## WHY ANCHOR CLIENTS LEFT



Source: Study of 181 affluent investors with >\$1M in investable assets who had left their financial professionals in the last three years, conducted by R.A. Prince & Associates, Inc. under proprietary contract of Invesco Global Consulting during the second half of 2015. Used with permission.

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A black and white photograph of a man in a dark suit and white shirt. He is holding his right index finger to his lips in a universal gesture for silence. The background is dark, and the lighting is dramatic, highlighting his face and hand.

**WHAT** is the cause?

**Silence  
is  
deadly**



# Were the financial professionals ***surprised*** by *Anchor Client loss*?



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# The Golden Hour

# Percentage of clients that had hired new financial professionals after making the decision to leave:

<b>START:</b> Decision to leave has been made	<b>6+</b> MONTHS	<b>9+</b> MONTHS	<b>12+</b> MONTHS
<b>0.0%</b>	<b>6.3%</b>	<b>41.1%</b>	<b>65.2%</b>

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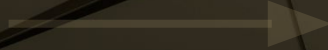
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**WHO**

is at risk?



**WHAT**

is the cause?



**HOW**

is it fixed?



**HOW** is it fixed?



# THE CURE for ACL

A regular, disciplined,  
**INTERACTIVE**  
communication strategy

**HOW** is it fixed?

# **INTERACTIVE** COMMUNICATION

*Defined as: phone call, in-person, email*



The diagram consists of two horizontal white arrows pointing in opposite directions. The top arrow points to the right and contains the text '2-WAY' in gold. The bottom arrow points to the left and contains the text 'EXCHANGE' in grey. The background of the slide is a dark, cloudy sky.

**2-WAY**

**EXCHANGE**

**HOW** is it fixed?



**HOW MUCH**

**Interactive communication  
cures ACL?**

**HOW** is it fixed?

# ANNUAL LEVEL OF CONTACT

Any form of **interactive** contact including phone, in person, email

## AMOUNT OF CLIENT CONTACT

	Moderate 4-6 contacts/year	High 7-11 contacts/year	Intense 12+ contacts/year
Chance of client leaving FA	0.0%	0.0%	0.0%

# Regular client contact cures client loss

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# HOW is it fixed?

	<u>AMOUNT OF CLIENT CONTACT</u>		
	Moderate 4-6 contacts/year	High 7-11 contacts/year	Intense 12+ contacts/year
Chance of client leaving FA	0.0%	0.0%	0.0%
Clients likely to add assets	5.9%	27.0%	78.0%
Clients likely to make referrals	11.9%	41.9%	94.7%

**Business building jumps exponentially with “high” or “intense” contact**

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**HOW** is it fixed?



**How much interactive  
communication is needed?  
4+ interactive  
communications  
per year per client**

**HOW** is it fixed?

# **TYPES of communication**

**1x annual client reviews**



**HOW** is it fixed?

# **TYPES of communication**

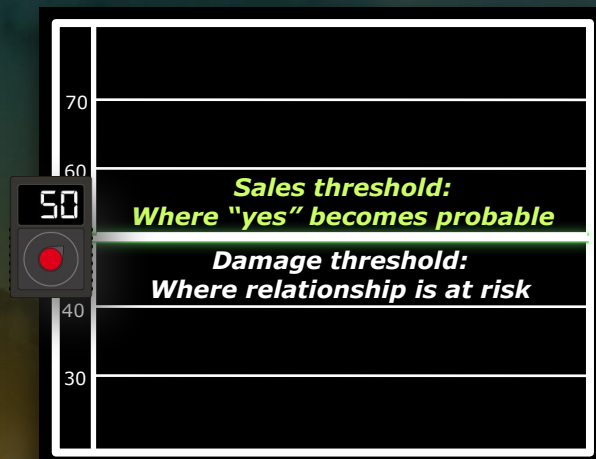
**2x client check-in calls**

**1x annual client reviews**



**HOW** is it fixed?

# Dial session parameters of success and failure



**HOW** is it fixed?



**I know we haven't spoken in quite a while, and that's**

**PERFORMANCE CALLS  
PERFORM POORLY**

**value to you as one of my biggest clients.**



**HOW** is it fixed?

# SUBTEXT of call options

**SUBTEXT  
performance call:**

*"I have nothing to say..."*

*"I don't know you that well..."*

*"My value is in question..."*



**HOW** is it fixed?

## **Relationship equity conversation:**

# **3 COMPONENTS**

### **1. Demonstrate personal knowledge**

- *Shows you listened, you remember, you care*

### **2. Monitor for client changes**

- *Add value through vigilance and proactively staying current*

### **3. Set expectations for follow-up**

- *Follow-through on follow-up builds trust*





# HOW is it fixed? Relationship equity conversation tool

1.

Demonstrate  
personal  
knowledge

"I **I** want to quickly check in with **you** any changes, but first,  
***how is **your** daughter enjoying her first year at Ohio State?***."

2.

Monitor  
for change

"I **I** constantly monitoring **your** account and the good news  
is **you're** still on-track with **your** goals, including **your** ***goal 1*** and (***goal***  
***2***). To make sure we stay on-track,

***is there anything happening in **your** that I should be aware of?***  
***Any changes or concerns, or things keeping you awake at **you*****."

3.

Set follow-up  
expectations

**I'm** glad to hear **your** youngest was accepted to Columbia. Obviously,  
***the Ivy League is very expensive. Let me **Me** together a few ideas on the***  
***smartest way to pay for the additional cost. Is a week from now okay?***."

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**HOW** is it fixed?

# SUBTEXT of call options

## SUBTEXT

**performance call:**

*"I have nothing to say..."*

*"I don't know you that well..."*

*"My value is in question..."*

## SUBTEXT

**relationship equity call:**

*"I know you."*

*"I care."*

*"I call even when  
I have nothing to sell."*

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**HOW** is it fixed?

# **TYPES of communication**

**PERSONAL &  
UNEXPECTED**

**2x client check-in calls**

**1x annual client reviews**



**HOW** is it fixed?

# TYPES of communication



**1x harvest  
concerns**

**2x client check-in calls**

**1x annual client reviews**



**HOW** is it fixed?

# HOW to HARVEST CONCERNS

**Avoid**

**“How can  
we do even  
better?”**

**Do**

**“We are looking for better  
ways to serve YOU by  
knowing what  
we can improve.”**

**“Is there anything that  
you were dissatisfied with  
or where we simply could  
have done better?”**



**HOW** is it fixed?



# Making Anchor Client **TRIAGE** a habit



# HOW is it fixed? *Anchor Client Triage*



THE GOLDEN HOUR

## A.C.T.

ANCHOR CLIENT TRIAGE



Client name	Top concerns	Personal call	Unexpected bonus	Complaint harvest	Face-to-face meeting
1. <i>Brian Anderson</i>	1. <i>College Funding</i> 2. <i>Long-term care</i> 3. <i>Retirement</i>	<input checked="" type="checkbox"/> Date <i>04/18</i>	<input checked="" type="checkbox"/> Date <i>06/22</i>	<input checked="" type="checkbox"/> Date <i>09/05</i>	<input checked="" type="checkbox"/> Date <i>12/02</i>
2.	1. _____ 2. _____ 3. _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____
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5.	1. _____ 2. _____ 3. _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____
6.	1. _____ 2. _____ 3. _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____
7.	1. _____ 2. _____ 3. _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____
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9.	1. _____ 2. _____ 3. _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____
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14.	1. _____ 2. _____ 3. _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____	<input type="checkbox"/> Date _____
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# REVIEW



**WHO**  
is at risk?



**WHAT**  
is the cause?



**HOW**  
is it fixed?



# Financial professional practices are like NFL teams

TEAM	WIN %	Retained drafted starters
------	-------	---------------------------------

Dynasties are built through  
**RETENTION-**  
**NOT ACQUISITION**

STEELERS	.621	12
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