

Building your network: 4-step process

Research shows an advisor's largest source of new clients is through client referrals.¹ While friends, family and current clients are excellent prospecting sources, there are other ways to find more. An often untapped way to gain strong prospects is by building relationships with centres of influence (COIs). A COI, also known as a strategic partner, is a professional you work with who also works within your target market.

Creating a strategic COI network to collaborate with requires time and thoughtfulness. But it's well worth the effort. An effective network can be mutually beneficial – for you, your strategic partner and the clients you work with.

4-step process

Follow this 4-step process with structure and intent to create a successful network of COIs. This workbook will guide you through the 4-step process and help you build your strategic network.



Many advisors fail at building a strategic network because:

1. They don't have a process to follow and/or
2. They focus too much on getting referrals, instead of the value they can provide to others.¹

¹ Voice of the Advisor Centre of Influence study, Sun Life Consulting, January 2023

1. Understand your market

Key objective – Identify pain points.

You may know who your target market is, but do you understand them? What are the issues and pain points that are common in the market? Which may be different from other markets?

Having a true understanding of your target market will show clients that you understand their unique needs and have the expertise, experience and resources to help them.

Examples of target markets: business owners, pre-retirees, physicians, young professionals, female entrepreneurs, etc.

Action

Define your target market and list their specific pain points.

Example

Target market: Farmers

Pain points:

- Inconsistent cash flow
- Fair and equitable estate transfer between children
- Separation of farm business and farm property valuations
- Farm lending
- Illiquid assets (land, machinery, crops)
- Ownership structure
- Succession planning

Target market:

Pain points:

While some pain points may be unique to a specific market, there are common issues in life that many clients face. To help address all pain points, it's important to introduce clients to specialists like physiotherapists, mechanics, electricians, continuance of care specialist, wedding planner, etc.

2. Identify your COIs

Key objective – Align client pain points with prospective centres of influence.

Now that you know your target market's pain points, it's time to research qualified COIs that can address them. Be selective with whom you partner with and refer clients to. Potential partners can:

- augment and support your brand,
- impede and hinder your brand, or
- impact end outcomes for clients.

Start the search within your existing client base. Do you know the professionals your clients work with? These COIs can be especially valuable since you're already serving the same clients. You can find other potential COIs through professional associations, community clubs and events or social relationships.

Once you've sourced and researched potential COIs, make a list of who they are and what they can offer clients.

Action

Create a COI chart for specific pain points. Here's how:

1. Input the pain points identified in Step 1 across the top of the next page.
2. List the names of potential COIs that can address pain points in the first column. If you don't know names, list the types of professionals you'd like to connect with.
3. Mark which pain point the COI can help with.

Know when you find a good match. Does the COI:

- Serve your target market?
- Share common connections (values, mission, brand)?
- Have a willingness to collaborate?

Example

Target market pain points

COI name	Inconsistent cash flow	Fair and equitable estate transfer between children	Separation of farm business and farm property valuations	Farm lending	Illiquid assets	Ownership structure	Succession planning
Sascha Moreau – CPA			X			X	X
Alex Durand – Lawyer		X				X	X
TBD – lending specialist	X			X	X		

Target market pain points

COI name							

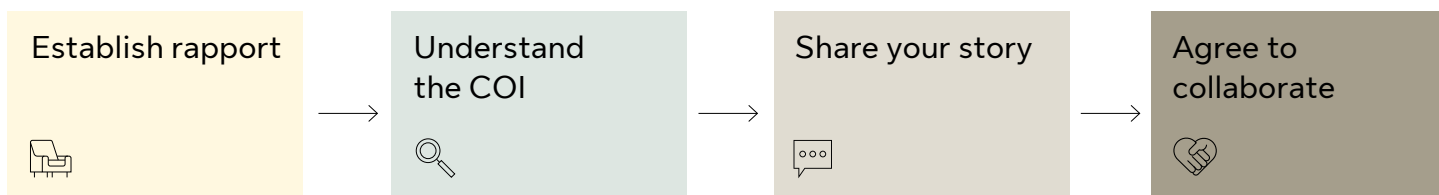
3. Develop trust

Key objective – Gain agreement from the COI to collaborate.

You identified potential COIs that align with client pain points and compliment your service. Now it's time to develop a relationship built on shared trust and understanding. This can take time and may happen over a series of interactions.

Prepare an agenda and set your intention before each COI meeting. Remember, the goal isn't referrals at this point. It's about starting and building the relationship.

Follow the path below to form trust with the COI, solidify the relationship and agree to collaborate.



Establish rapport

Building rapport with a COI is similar to building rapport with a prospective client. Be an active listener, show empathy and demonstrate a sincere interest. Remember, your first impression sets the tone for the rest of the conversation.

Here are some tips to help you build rapport with a COI:

- Keep the first interaction informal.
- Focus on building a "social" relationship.
- Find commonalities.
- Show that you've done your research.
- Share testimonials from clients or other COIs.

Action

Choose a COI from Step 2 and outline how you'll establish rapport.

Understand the COI



Develop a greater understanding of the COI and their business. What is their current situation? How can you help them get to where they want to go?

Here are some topics to discuss with the COI to help you learn more:

- What services do they offer?
- What is their target market?
- What challenges do they face? What challenges do their clients face?
- What are their business growth plans?
- What makes them different from the competition?

Action

Write down questions you want to ask to better understand the COI.

Share your story



Building trust is a two-way street. To develop meaningful COI partnerships, you also need to share your expertise and show your commitment.

Here are some topics to discuss with the COI to help them understand your purpose:

- Who is your target market?
- What services do you offer? How do you differ from the competition?
- Where can you add value for the COI and their clients? Provide a concrete example.
- Explain your client engagement process.
- Share a case study.

Nearly half of financial professionals don't clearly communicate the value of their team, practice, philosophy and process.² Share your 10-second story to highlight what you can offer as a strategic partner. This helps the COI know how to talk to clients about you, your firm and your services.

What do you say when someone asks what you do?

Follow this format to master your 10-second story every time:

- Identify the client's/COI's problem.
- Explain your plan to help them.
- Describe a successful ending to their story.

² PMINDEX, Practice management trends report, 2023

Action

Create a 10-second story to highlight your value to the COI.

Example

Families and businesses face many complex opportunities and challenges. As a trusted advisor, I collaborate with a team of professionals. We work together to help manage the financial affairs of clients, their families and their businesses to ensure success.

Agree to collaborate



You've worked hard to build joint trust and understanding by this point. It's time to solidify the relationship by agreeing to collaborate.

Here are some topics to discuss to help define the partnership:

- What does a successful strategic alliance look like?
- What are the terms of the strategic alliance?
- What is the process for referring clients to each other?
- Introduce each other to your teams.
- What other opportunities are there to collaborate (e.g., a joint educational event)?

Action

List the details of the strategic alliance you want to review with the COI.

4. Foster relationship

Key objective – Continue to successfully collaborate with your strategic network.

Half the battle with nurturing COI relationships is staying top of mind. Create a COI service model to ensure consistent, meaningful interactions between both sides.

If possible, make the first move and refer a client to the COI. This reminds the COI of your partnership. And the client will appreciate the introduction. Every so often, assess the value of each COI relationship.

Action

Draft your COI service model.

	<i>Example</i>	
	Timing	Action
Proactive	Monthly	Engage through social media
	Quarterly	Hold meeting, drop-in to say hello, send newsletter
	Yearly	Invite to social outing, support cause, send personalized gift basket during busy season
	Other	Send referral, host event, share success story and new credentials
Reactive	Referral given	Follow-up
	Referral received	Send thank you
	Other	Attend/present at their event, engage with their social media posts, meet with client and COI to discuss client needs

	Timing	Action
Proactive		
Reactive		

Building a strategic network takes time and effort. Remember, referrals won't happen right away. Deliver consistent value to your COIs and always put the needs of the client first. When the goal is mutually beneficial, everyone wins.



We help. You grow.