



# Industry *Insights*

Summer 2021

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We help. You grow.



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# Two easy questions to help you prioritize your work

## Avoid distractions and focus

Saying “no” can be scary, especially when you’re trying to grow your business. When you say yes to everything, your plate gets filled up with a “task-list treadmill”. This means you’re forced to divide your efforts, hindering business growth and efficiency. Sometimes you need to say no to achieve your purpose, why and vision.

When faced with a new task, ask yourself two questions:

- What is this in service of?
- At the cost of...?

Answering the questions above helps you decide which tasks add value and which may distract you. From there it’s easy to say yes or no. Being strategic with your “yes” tasks helps you focus and reach your goals quicker.

Source: [InvestmentNews](#)



### TAKEAWAY

Learn what priorities to say “yes” to, and which ones to say “no” to. Ask yourself what is this task in service of and at what cost? Then you can focus on tasks that add value and avoid distractions.

# How to keep Clients in any market

## Valuable information is closer than you think

Clients are vital to your business and retaining Clients can help you succeed. Statistics show that profits increase 25% to 95% when there is a 5% increase in Client retention.<sup>1</sup>

So the question is – do you have a Client retention strategy? If no, you should create one. If yes, you should review or update it. Creating or updating your Client retention strategy will help your business.

Here are three things to focus on when looking at or drafting your Client retention strategy:

1. Look at yourself as an advisor – what makes you different?
2. Look at Clients - what are their needs and priorities? How have they shifted throughout the pandemic?
3. Look at your loss of Clients - why did you lose them? How did you react to the loss? Have you reflected on and learned from it?

Review your Client retention strategy with your team and revisit it regularly. Client expectations are changing, and they are looking for the value in your advice. Clients will find another advisor if you cannot meet their needs. Continue learning, stay connected and understand the ins and outs of Clients!

<sup>1</sup> Kristine McManus, *Holding on to clients in any market* (March 16, 2021), online: [InvestmentNews](#)

Source: [InvestmentNews](#)

## TAKEAWAY

A Client retention strategy is important for your business. Your strategy should look at you as an advisor, your Clients and your Client losses. This information will give insight to help your business continue to succeed!



# Surveys help you learn what Clients actually want

## Client preferences are key to keep your business going strong

You may be eager to get back to in-person Client meetings after a year of doing things virtually. But are Clients?

Client comfort levels have changed over the past year. Research shows that many Clients prefer a “hybrid” model – in-person and virtual. Clients may be willing to join events only if proper safety and physical distancing protocols are in place.<sup>2</sup>

Now is a great time to survey Clients. This will help you learn what they prefer so you can plan. Your survey should cover topics like:

- How often and in what format would Clients like to have reviews?
- When would Clients feel safe meeting in person?
- What has been Clients’ experience with Zoom meetings?
- What do Clients want to do for events?

After months of virtual meetings, it’s more important than ever to check in with Clients to see how they want to meet in the future. You’ll learn and understand their comfort levels as things get back to normal.

<sup>2</sup> Kristine McManus, *Discover what your clients want with a survey* (April 7, 2021), online: [InvestmentNews](#)

Source: [InvestmentNews](#)



## TAKEAWAY

To help you plan, check in with clients by using a survey. Focus your survey on a few topics like:

- Client reviews (the frequency and the method of connecting)
- In-person meetings (the level of comfort)
- Experience with Zoom meetings (in the past year)
- Client events (what they would like to do)

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# The right kind of self-talk

## How to stop overthinking

Do you go over and over a problem or challenge in your head? Do you think about what you could have done differently or how you can fix it?

Ethan Kross's new book, *Chatter*, explores how overthinking – or chatter – is exhausting. Chatter impacts your life in three main ways:

1. Makes it hard to think or work
2. Causes friction in social relationships
3. Keeps your stress response active over time, which can impact your health

But you don't need to fret! If you are an over-thinker, Kross has many tools to help you manage chatter. Here are a few to get you started:

- 1. Distanced self-talk** – give yourself advice like you would to your best friend or partner. We are much better at giving advice to others than ourselves. Try talking to yourself using your own name. This can help you break out of the tunnel vision you are dealing with.
- 2. Develop rituals** – create a set of behaviors. Adding order to your life gives you a sense of control and can help to calm overthinking.
- 3. Interact with green spaces** – go for a walk in nature or watch a movie about it. It can provide a sense of renewal and awe. This makes your own problems feel much smaller.

Source: [Harvard Business Review](#)

## TAKEAWAY

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Avoid chatter and overthinking. Try distanced self-talking, develop rituals and/or interact with green spaces.

# Break free from burnout

## As the world begins to heal, so should our mental health

Burnout is something you may feel from time-to-time. It often appears in three ways:

- **Exhaustion:** feeling mentally or physically worn out
- **Cynical detachment:** lack of social connections
- **Sense of worth:** a reduced value for oneself

Reducing burnout once you're suffering from it is not easy. You need to replenish yourself. And the best way to do this? Compassion.

Compassion can help with burnout by improving a positive sense of self or building connections. It's like a muscle – it needs training to get or stay strong. Meditation and breathing practices are effective tools to help you nurture compassion.

Anyone can learn to be more kind to themselves and others with compassion. Even small acts help start the burnout healing process.

Source: [Harvard Business Review](#)

### TAKEAWAY

Practicing compassion towards yourself and others helps with burnout. With compassion, you can help Clients feel empowered to take control of their lives and decisions.



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# Create a legacy of digital leadership

## How industry leaders can create value in the digital era

The pandemic accelerated the pace of innovation in the digital world. Companies quickly digitized processes to meet the needs of Clients. This supported business during the pandemic, but is it enough?

With most everyone digital now, how do you stand apart? Your focus should be on building a long-term competitive advantage. Ask yourself “what unique value do we add for Clients?” to figure it out and redefine your purpose.

Here are a couple of ways you can create value for Clients:

- 1.** Reimagine your place in the digital world by using new technology to advance your goals.
- 2.** Stay relevant by being collaborative. You’ll deliver on the value Clients want by working together.
- 3.** Embrace innovation and technology beyond your processes.

To win in the post-pandemic world, you need to take a look at how you stand apart from your peers. Focus on the value you bring to Clients. Embrace working with others to find the solutions and innovation you need.

Source: [Harvard Business Review](#)

### TAKEAWAY

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You’ll need to rethink how your digital tools create an advantage. You should also create an environment that fosters innovation and collaboration. By working together with Clients, you’ll collect new ideas to keep your business relevant and unique from your peers.



# Five reasons why wealthy Clients will do business with you



## TAKEAWAY

It's not about the lowest cost for HNW Clients. These Clients will pay more for a good reputation, better service and personalized relationships.

## And one reason why they won't

It's great when you attract a high-net-worth (HNW) Client. It's good to know why HNW Clients decide to work with you or why they take their business elsewhere.

Here are five reasons why HNW Clients may pick you:

- 1. Reputation of your firm:** many people pick a firm because it's thought to be the best
- 2. Found you by referral:** word of mouth is great for attracting Clients in a similar income bracket
- 3. You made someone money (or saved them money):** you helped protect their finances and achieve certain goals
- 4. Possess relevant knowledge:** you know the industry and can help with each unique need
- 5. Making things easy:** build trust by helping Clients get organized. They also like if you can combine everything under one roof

Do you check all five boxes? Make sure your friends and Clients know!

Now you know why a HNW Client may choose to work with you. Here's the number one reason why they won't:

**You are the lowest-cost provider.** You don't need a price-match guarantee. HNW Clients are ready to pay for a high level of service that adds value to the relationship.

Source: [IMDRT](#)

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# COVID-19 and insurance

## Using the pandemic to advise Clients on their potential insurance needs

Clients demand insurance, just like COVID-19 vaccines. Here's why insurance Clients or prospects have may not be enough:

- 1. Protection = Protection:** just like the COVID-19 vaccine helps protect you against the virus, life insurance offers protection too. The lump sum beneficiaries receive following the death of a Client (insured) may help replace some of the lost family income. Financial protection can bring peace of mind.
- 2. There's always something new:** the COVID-19 vaccine isn't "one and done". Scientists may modify it as we discover new strains. Insurance isn't a static product either. Each Client is unique and the industry is creating new insurance products to help meet their needs.
- 3. Duty for all:** everyone has to do their part to slow the spread of the virus. The same goes for retirement income. We must take ownership of our own retirement plans and annuities.
- 4. It's difficult to save:** Clients might not be good at putting savings aside. Paying their life insurance premiums does some of that job for them. Whole life insurance can build cash value over time, functioning as a protection and a savings vehicle.
- 5. Lump sums don't go as far as they used to:** prices have gone up and interest rates have gone down. It takes a lot more money to pay expenses today. A \$1 million life insurance policy may not be enough to leave families comfortable.

Source: [IMDRT](#)

### TAKEAWAY

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People want insurance. You should make a strong case for all products with Clients and prospects.

## Could “light planning” work for some Clients?

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### Top tips for educating Clients

A recent study found that 57% of Canadians are confident that they will meet their financial goals. Just over a quarter (29%) work with a professional financial advisor.<sup>3</sup>

People may not use a financial advisor because they don't know how one can help them reach their goals. Others may not feel that they require in-depth financial planning yet. For the latter, light planning could be the perfect step to financial success.

Light planning is gaining popularity among financial advisors. It works great for people who are not ready for or may not benefit from a comprehensive plan. Light planning could take a few weeks to do. You'll need a few meetings to complete an analysis and help the Client learn about their options.

<sup>3</sup> Melissa Shin, “Light planning” could expand access to financial advice (April 29, 2021), online: [Investment Executive](#)

Source: [Investment Executive](#)

### TAKEAWAY

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Keep light planning in mind for Clients who may not require a comprehensive plan. They may still benefit from your support and expertise.

## The role of peers in financial decisions

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### Should Clients depend on their social networks for investment advice?

Humans are social animals by nature. Friends, family and peers are now a source of “truthful” information. That's why social networks can influence a Client's financial decisions.

But social finance research has found that peer influence isn't always positive. Although peers may have some good insights, they can potentially mislead investment decisions. Social comparisons, belief contagion and the fear of missing out also play a role in the decision-making process.

You're now going up against Clients' social networks as a decision-making factor. How can you compete with these social forces? One approach is to explain how peers could have bias or conflicting interests. You should also explain to Clients how you are neutral and looking out for their best interest.

Source: [Advisor's Edge](#)

### TAKEAWAY

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You need to understand how peers could potentially influence a Client's financial decisions.

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# The mental health crisis

## Your role in Client education

The pandemic has had a huge impact on people's mental health. Research shows that advisors are now hearing more about their Client's mental health issues.<sup>4</sup> They are becoming mental health sounding boards more than ever.

The concern with this is you may not have the proper tools to help Clients in this area. You need to learn strategies to identify mental health issues. You also need to know about resources to help Clients cope.

How can you help protect vulnerable Clients?

One easy thing you can do is tell Clients about and help them pick a Trusted Contact Person (TCP). A TCP has no financial decision-making power, but may be able to assist if you think a Client needs help. TCPs is not very common among advisors yet – only one third are using this resource. It is also not a requirement. But it's worth talking to Clients about, especially those who may be experiencing mental health issues.

<sup>4</sup> James Burton, *Advisors on the front line of mental health battle*, (January 28, 2021), online: [Wealth Professional](#)

**Source:** [Wealth Professional](#)

## TAKEAWAY

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**The pandemic has highlighted issues around mental health. The industry must start recognizing advisors need new tools and training. This will help you support Clients who may be struggling.**