



CLIENT REFERRALS

A Growth Channel for Every Firm Needs

POLL



Do you have a structured referral process?



What percent of new clients are from referrals?



Would you consider your client-referral approach to be passive or active?

Why Does Growth by Client Referrals Matter?



WHY?



- Growth is essential to the business.
- A growing business strongly implies that clients are satisfied, receive a high standard of care, and are therefore willing to advocate.
- Growth enhances resources and momentum to better serve clients and create even more growth. It is a self-perpetuating process.

IMPORTANT GROWTH CONSIDERATIONS

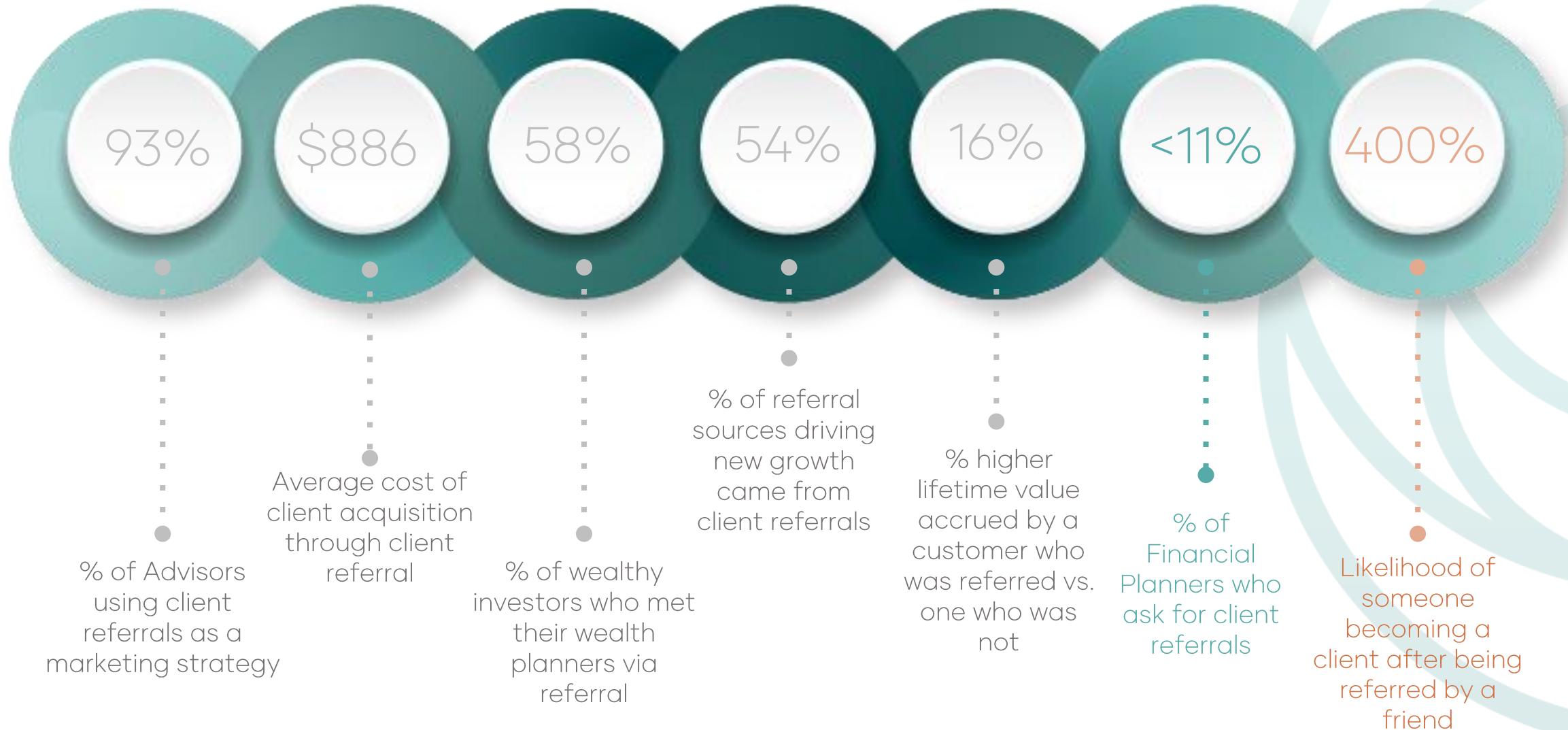


- The number of new client relationships is arguably the best measure of a firm's ability to grow, which is why we are focusing here.
- Gaining referrals from existing clients is a crucial business-development strategy.
- Having a clear target audience can create highly effective growth.

CLIENT-REFERRALS DATA

Kitces Research Study on Advisor Marketing (2022) | Investment News Data

Source: <https://www.nasdaq.com/articles/4-best-referral-sources-for-financial-advisors>





STOP!

THE #1 MISSED GROWTH OPPORTUNITY IS
SOW AND CLIENT REFERRALS

BEFORE YOU LOOK FOR NEW
WAYS TO GROW MAKE MORE OF
YOUR IMMEDIATE OPPORTUNITIES

HOW MUCH WOULD YOU GROW IF YOU

DOUBLED

TRIPLED

THE NUMBER OF CLIENT REFERRALS

CLIENT-REFERRAL MINDSET

Prospecting Isn't Personal



Limiting Beliefs

- I can't be needy, cheeky, or salesy
- Rejection is scary—what if they say no?
- It's not my client's job to help me grow
- I will be jeopardizing a trusted relationship
- Asking for help makes me weak
- Asking for help makes me look unsuccessful
- I'll feel indebted

Cures to Limiting Beliefs

- Start with mindset reframing



- Make referrals a process and priority
- Start with the low-hanging fruit

What Makes a Good Referral Program/Process?



BEFORE YOU CREATE ANY GROWTH STRATEGY...

Define Your Ideal Clients

- Who are current clients that you want to replicate?
Think of the clients who listen to you, value your advice, love meeting with you, and are happy to pay
- Are your ideal clients profitable for you to serve?
- Do you enjoy solving their pain points?
- Are they your people? Do you enjoy working with them and spending time together?

List 10:



CLIENT REFERRALS

Current Client Review

REVIEW CURRENT CLIENT LIST & TAG CLIENTS WITH THE FOLLOWING:

1. Who has referred 1x?
2. Who has never referred?
3. Who has referred more than 1x?



Once you have the data, what do you notice?

CREATE REFERRAL CAMPAIGNS FOR THE FOLLOWING:

1. Clients
2. Advocates
3. Those who have referred once
4. Those who have never referred



Go over the process for identified advocates, **past referrers**, and **non-referrers**



LEARNING TO ASK

in a way that feels good



Script Examples

"I love what I do and am always looking to help more people. We do our best work with clients like you who are nearing retirement, but I want you to know that if you have a friend or family member with financial issues or questions, we want to be your first phone call. Even if we're not the right fit, we'll make sure to provide them with guidance they can trust and ensure they get the support they need."

"We remain touched by your continued confidence in us. Helping you achieve financial confidence has been our mission since we opened the doors in [2006]. Given we're a boutique practice that works best with [target client], we've grown largely through word of mouth over the years, and we like it that way. We want to work with good people, and the surest way to do that is to work with people referred by you, one of the good people we already work with.

Now, more than ever, people need trusted financial advice. Should you have friends, family, or colleagues with questions, we will always welcome their calls, answer their questions in ways that add value to their lives, and give them clarity about their options in a polite and professional way.

If we can add value to their lives, we'll happily work with them. And if we aren't the best solution for their needs, we'll personally make sure that we help them understand their situation and their best next steps for creating financial confidence.

As always, we take our responsibility to help you create true financial confidence seriously. Thank you for your continued trust."

Mastering Referral Messaging
To be successful at Referral Marketing, you need to master your referral mindset and elevate your referral messaging. Use this worksheet to design your messaging, practice and hold more confident conversations around referrals.

STEP 1: CRAFT YOUR REFERRAL MESSAGE

1. Which conversation would you like to be more confident about?

COI REFERRAL MESSAGING EXAMPLES:

- Send me your clients Dammit! (a.k.a. What would make me want to spend / pay for an hour of your/COI's time?)
- I'd like to spend / pay for an hour of your/COI's time. How do you identify when your clients have a need to do address those needs?
- I want to serve your clients so well that you would refer me to your wealth management team for my client.
- I'm building a wealth management team for my client.

CLIENT REFERRAL MESSAGING EXAMPLES:

- When you have a friend or family member who is approaching retirement, we're not the right fit for everyone. We do our best work with people just like you who... [insert ideal client description].*
- We are actively growing our business with the target client.
- I love what I do and am always looking to help more people.
- I want you to feel so good about the work we do that when someone needs our help, we'll be the first phone call.*

2. Draft your script for the conversation you want to have.

3. What are you most afraid of hearing from your clients?

4. How will you respond? Write down your response.

STEP 2: GET COMFORTABLE

- Select a partner to help you practice the conversation using your script.
- Initiate the conversation using your script.
- Have your partner respond with what you want to hear, but is uncomfortable but is natural.
- Reply with your response using your script.
- Get feedback from your partner or coach.
- Repeat this process, until you're 100% comfortable with your name.

Referral Roadmap Scripts & Dialogues
To be successful at Referral Marketing, you must first master your referral mindset, then elevate your referral messaging. Use the below sample scripts and dialogues as a starting point to design your messaging, practice and hold more confident conversations around referrals.

SEEDING THE REFERRAL CONVERSATION WITH CLIENTS
Below are a few examples of ways you can seed or introduce the referral conversation with existing clients:

- *"As you come across friends or family with financial issues or questions, feel free to put them in touch with us."
- *"We do our best work with people just like you who... [insert ideal client description]."
- *"But don't worry, we will always take care of your friends..."
- *"People tend to get busy, so we've found the best way to help is to share information and let them know we're here to talk if that's helpful..."
- *"As a boutique practice that works with business owners within 5 years of retirement, we grow largely through word of mouth. Each year, we bring in only a select number of new clients..."
- *"I love what I do and am always looking to help more people..."
- *"One of the reasons you hired us..."
- *"We are committed to being the absolute best at helping people who..."
- *"We're always glad to talk to your friends or family that need..."
- *"If you know anyone who is approaching [retirement, divorce, etc.], we want to be the first phone call..."
- *"I want you to feel so good about the work we do that when someone needs our help, we'll be the first phone call..."
- *"If we're not the best option to help directly, we will be sure to provide your referrals with guidance they can trust and ensure we provide a recommendation that will help them get the support they need..."

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Use the Referral Roadmap 3-Step Process When You Receive a Referral



RECOGNITION



ENHANCEMENT



APPRECIATION

THE REFERRAL Roadmap
Reinforcing Referrals from COIs and Clients

THE 3-STEP REFERRAL LOG FOR CLIENT'S

Referral Name _____ Ph _____ eMail _____
Source Name _____ Ph _____ eMail _____

STEP 1: RECOGNITION Completed on _____ by _____
Notes: _____
Brief telephone call thanking client for referral:
(1) You are touched by their confidence.
(2) You will give it your immediate attention.
(3) You will do your best for the prospect.

STEP 2: ENHANCEMENT Completed on _____ by _____
Notes: _____
Provide client status of referral follow-up:
(1) If no action, advise.
(2) If appointment set, send handwritten note:
(a) Thank you again for referral;
(b) Will do your best to help referral.

STEP 3: APPRECIATION Completed on _____ by _____
Notes: _____
Send gift to client in appreciation for their referral.
Add to client referral list or tracking sheet.

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REFERRALS AS A TEAM



Growth Mindset

Check in regularly for mindset, confidence, and consistent execution.



Process

Maintain standards of excellence in your processes firm-wide to set you up for delegation success and consistent execution.



Training

Create a process everyone can understand. Train your team to identify opportunities, use scripts, and follow up.



Accountability

Consistently nurture and review referral opportunities. Use workflows and dedicated team time for growth.



KPIs

Create specific goals.



Tracking

Remember: what isn't measured can't be managed.

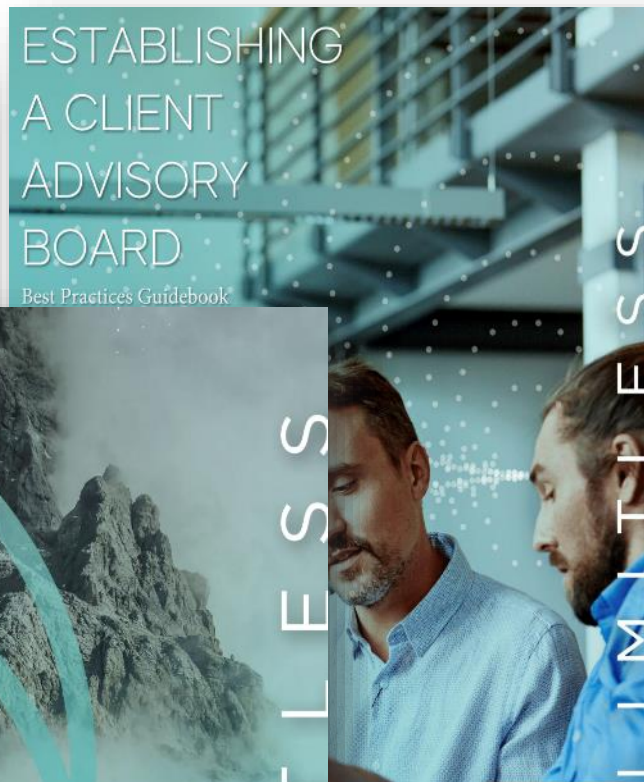


Reward

Remember: reward and growth go hand in hand.



IN-PRACTICE



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1. Which conversation would you like to be more confident having? (Select one)

COI REFERRAL MESSAGING EXAMPLES:

- Send me your clients Dammit! (a.k.a. What would make you feel confident enough to refer clients to our firm?)
- I'd like to spend / pay for an hour of your/COI's time to ask her a few questions about how she works with clients
- How do you identify when your clients have a need for (retirement, planning, investment advice, etc.) and how do you address those needs?
- I want to serve your clients
- I'm building a wealth management practice

CLIENT REFERRAL MESSAGING EXAMPLES:

- When you have a friend or family member who needs help, how do you know if we're the right fit for them?
- Who do you know that is looking for help with [retirement, planning, investment advice, etc.]?
- We are actively growing our business and we need more clients. How do you find them?
- I love what I do and am always looking to help more people. How do you find them?
- I want you to feel so good about your business that you refer clients to us.

2. Draft your script for the conversation you selected above.

3. What are you most afraid of in this conversation?

4. How will you respond? Write your response below.

STEP 2: GET CONFIDENT

- Select a partner to help you practice
- Initiate the conversation
- Have your partner respond to you
- Practice until you feel comfortable but is not too uncomfortable
- Reply with your responses
- Get feedback from your partner
- Repeat this process, using your name.



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Referral Roadmap Scripts & Dialogues

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"But don't worry, we will always take care of your friends..."

"People tend to get busy, so we've found the best way to help is to share information and let them know we're here to talk if that's helpful..."

"As a boutique practice that works with business owners within 5 years of retirement, we grow largely through word of mouth. Each year, we bring in only a select number of new clients..."

"I love what I do and am always looking to help more people..."

"One of the reasons you hired us..."

"We are committed to being the absolute best at helping people who..."

"We're always glad to talk to your friends or family that need..."

"If you know anyone who is approaching [retirement, divorce, etc.], we want to be the first phone call..."

"I want you to feel so good about the work we do that when someone needs our help, we'll be the first phone call..."

"If we're not the best option to help directly, we will be sure to provide your referrals with guidance they can trust and ensure we provide a recommendation that will help them get the support they need..."



WATCH & READ

- *Questions Great Financial Advisors ask... and Investors Need to Know*, by Alan Parisse & David Richman
- *The Win Without Pitching Manifesto*, by Blair Enns
- *Words That Work*, by Frank Luntz



APPLY

- Craft your referral messaging using the Mastering Referral Messaging worksheet
- Review recommended verbiage on the Referral Roadmap Scripts & Dialogues resource



ACT

- Practice your "ask" script with family or friends until it feels organic



LIMITLESS Q&A