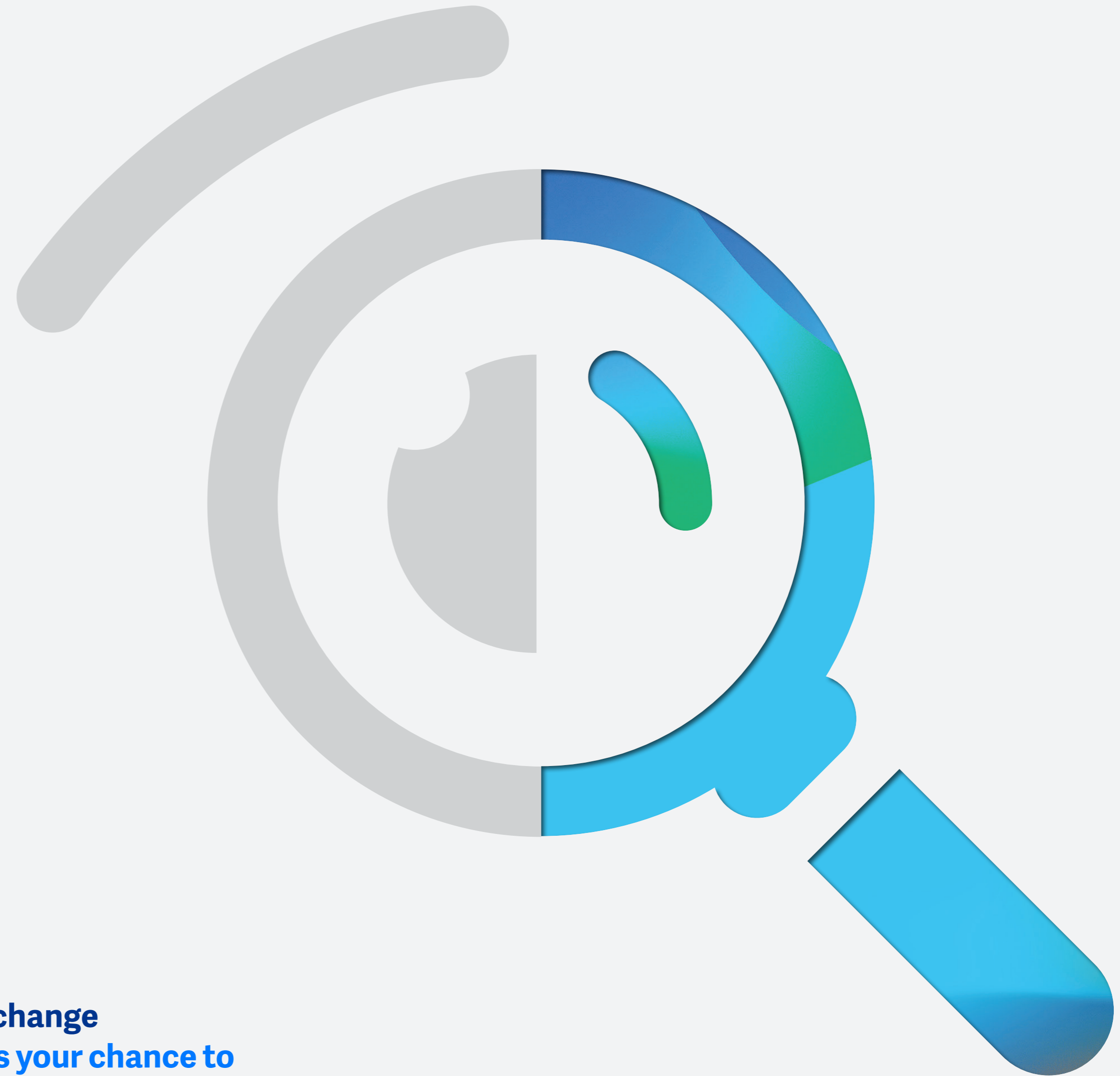


# How to build your value proposition

Clearly and succinctly articulate the reasons clients should engage your services or invest in the products you recommend via your value proposition.

Understand your target audience and how your business addresses your clients' needs and problems.

Your value proposition should permeate every element of your business, including all business development, sales conversations and marketing.



**With change  
comes your chance to  
explore new perspectives.**

## How to build your value proposition

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## Introduction

# Your value

To succeed in any business – and particularly as a financial adviser – you need to clearly, succinctly articulate the reasons clients should engage your services or invest in the products you recommend.

Your clients need to understand what you do, the benefits of your advice, the quality of the financial products and services you offer, and how these products and services align with their needs and preferences.

They need to know what sets you and your firm apart, and what value you can deliver to them. They need to appreciate the merit of having an ongoing relationship with you and your business.

Whether you operate your own AFS

licence or are aligned with a large, multi-adviser dealer group, your clients ultimately have a business relationship with you, as an individual. They need to trust that you can help them solve financial problems and embrace financial opportunities.

Your combination of professional strengths and specialisations is unique to you and your business. Likewise, each client has a combination of needs, challenges and preferences that is unique to them.

The value you provide lies at the specific point at which your capabilities intersect with your clients' needs.

Too many financial advisers try to be 'all things to all people'. In any business,



**Your clients need to appreciate the merit of having an ongoing relationship with you and your business.**

industry or profession, this is a recipe for failure. Too few advisers have a compelling value proposition that clearly explains what they do, who they serve, and how they provide value to the people they serve.

If you have yet to articulate your value as a financial adviser, please read on. This guide will help you build and communicate a compelling value proposition that will boost your marketing efforts and enhance the core efficiency and effectiveness of your financial advisory practice.

## Introduction

# Your promise and identity

### Your value proposition is a concise statement that explains:

1. who you are (as a business and as an individual professional)
2. who you serve (your ideal clients)
3. the services and products you deliver (to your ideal clients)
4. [most importantly] the value your ideal clients derive from your services, products and ongoing relationship with you as a provider of expert, professional advice.

In essence, your value proposition is a business identity statement and a promise to your clients.

Your value proposition articulates why clients should initiate or maintain a professional business relationship with you. It is a positioning statement that explains how you and your services are a better choice for your ideal clients than any alternative. It explains how you can solve your ideal clients' problems and help them make the most of opportunities.

Sue Viskovic, founder and managing director of Elixir Consulting (a business coaching agency for financial advisers), says a value proposition, at its core, is a clear explanation of what you do for your

clients.

"I talk about value propositions in terms of two measures," Viskovic says. "There is the marketing piece – the language you use, or the descriptive statement you use, to describe the value you offer to clients. This is used across all your marketing materials to help you attract clients and to help them see what you stand for, and why they might want to chat with you.

"Once the client is in front of you, and speaking with you, you need to tailor it in a personal way to the individual needs of that client."

A value proposition statement should be simple. It should distil your larger sales or marketing messages into a

clear explanation that your ideal client can easily understand, appreciate and remember.

Where value = benefits – costs, your value proposition explains why paying fees in exchange for your services is an astute decision for your ideal clients to make. If developed appropriately, it can serve as the foundation of your practice in many ways.

### For example, it can:

- Save you (and your clients) time and effort – by enabling you to quickly identify who you prefer to work with and which products or services you should offer and deliver. It also enables clients to quickly decide whether you are the adviser that's right for them.

## Introduction

- Give focus and direction to your business.
- Help you generate referrals.
- Help you acquire new clients.
- Help you retain existing clients.
- Help you maintain the level of your fees – and even raise your fees when you need to.
- Differentiate your business from those of your competitors.
- Help you develop your team – with a shared understanding of what your people do and why they do it.

Rob Jones, CEO and managing director of Peloton Partners (a consultancy that helps financial services companies to reach their potential), says the concept of value – as articulated in a value proposition – is critical for financial advisers, and should include

a combination of the intangible and tangible factors of advice – how we make people feel, and what we do for them.

“The intangible factors involve the reasons clients sought an adviser in the first place,” says Jones. “For example, they may have needed someone to help them organise their financial affairs, giving them the peace of mind they crave.

“So, the number one factor is intangible value. Then, of course, tangible value is simply the physical things we must do for clients, to convert the plan into reality.

**You can develop your value proposition by following a series of four relatively simple steps:**

1. Know your clients
2. Know your business



**Where value = benefits – costs, your value proposition explains why paying fees in exchange for your services is an astute decision for your ideal clients to make.**

3. Appreciate how your business addresses your clients’ needs and problems
4. Write your value proposition statement
5. Expand your value proposition.

While simple, this process is not necessarily easy. It may take considerable time and effort, but it will certainly pay off for you and your business over the long term.

[These steps are explained in the following chapters.](#)

## Building your value proposition

# Know your clients

Step 1 is to understand your target audience – the people you want to read and understand your value proposition.

Who are your existing clients? Who are your ideal (prospective) clients? What specific needs and problems do your clients and prospective clients have? What things do your clients value most highly?

If you don't already have clear answers to these questions, you should begin asking.

Undertake market research, by asking your clients directly and individually, arranging a focus group, or conducting a survey. Don't forget to ask other stakeholders – such as your employees, colleagues and other advisers – for their

perspectives.

Once you have a clear perception of who your clients are, you then need to understand their core financial needs and problems.

**You can do this by asking your existing clients questions such as:**

- What are your short-term and long-term financial goals?
- Within what time-frame do you expect to achieve each of these goals?
- Why did you decide to engage a financial adviser?
- What factors did you consider in your selection of a financial adviser?



**Your research into your existing and ideal clients may involve some depth, including factors such as age, gender, income, location, demographic profile, lifestyle preferences, relationship status and other family circumstances.**

- Why did you eventually choose me as your financial adviser?
- What do you value most about our ongoing advisory relationship?
- What do you value least?
- Would you recommend me to someone else who was searching for a financial adviser? If so, why? If not, why not?

Your research into your existing and ideal clients may involve some depth, including factors such as age, gender, income, location, demographic profile, lifestyle preferences, relationship status and other family circumstances.

Sue Viskovic suggests identifying your ideal clients in terms of personas or

# Building your value proposition



**'You need to bring the personas to life and understand the problems they want to solve.'**

Sue Viskovic

avatars.

"You need to bring the personas to life and understand the problems they want to solve," Sue says.

"For example:

Bob is a 45 year old IT manager who earns \$200,000. Mary-Jane is a 42 year old who earns \$80,000. They have 2 children and live in a house in Carnegie. The things that are important to them are family time, socialising with friends, gardening and the occasional holiday. Their challenges include finding enough time in their days, understanding concepts of investments and not being able to save.

"Then you ask: 'If I was to talk with Bob and Mary-Jane, what

would I want and expect to hear from them, if they were to articulate what I do for them that they value?' Their answers might include tangible things like 'Save money on tax', but there are also likely to be intangible things like: 'I know I can just send an email and my adviser will action it, without me having to go to their office.'"

**Customer Persona Template**

Brought to you by:

**Defining the individual** →

**Technology adoption**

Always uses the latest/greatest  Comfortable with technology  Uses technology if required  Tries to avoid tech where possible

**Demographics**  
What age, life-stage, household composition, employment, income, etc. does this target persona have?

**Attitudes**  
What are the typical values and beliefs of this target persona? How do they typically think and feel? What makes them happy, anxious and inspires them?

**Activities**  
What are the typical activities during the week and the weekend for this target persona? Where do they hang-out, socialise and holiday?

**Defining the customer** →

**Gain/s**  
What are they trying to achieve? What is important to them? What are their hopes and dreams? How will success be measured?

**Pain/s**  
What obstacles or challenges does the customer have? What are their concerns and worries?

**Influences**  
What and who influences the customer in their decision making?

Download your free customer persona template at <https://www.netwealth.com.au/innovation>

## Building your value proposition

# Know your business

As suggested, your business represents a unique combination of professional strengths, specialisations, areas of expertise, services and products that you offer and deliver to provide ultimate long-term value to clients.

Before you begin to write your value proposition statement, you need to understand these elements in detail. For example, what areas of expertise do you currently specialise in? Specific investment strategies? Self-managed superannuation funds? Retirement strategies? Business succession planning? Or full-service financial advice?

In your long-term future, which areas do you wish to continue specialising in? Which areas do you enjoy most? Which

are you best at? Which are the most profitable? Which give you the greatest satisfaction and fulfilment?

These are the areas you should focus on. In any profession, you are most likely to succeed in the specific types of work that you enjoy the most.

Sue Viskovic suggests a key step in building your value proposition is to identify all the things you currently deliver, or would like to deliver, to clients.

“This might include specialisations [that relate to the education and technical knowledge of your advisers],” Sue says. “It might be the ability to handle finance and debt management. It might be SMSFs. It might be your understanding of a range of estate planning laws that you can draw



**Knowing your business also involves identifying your competitors and your points of competitive difference in the advice market.**

on to help clients with their succession planning.

“It’s one thing to say, ‘This is what I do, and this is why you should come to me’. You then have to make sure that you have an appropriate way of delivering your services to satisfy the promise you are making.”

Knowing your business also involves identifying your competitors and your points of competitive difference in the advice market.

To distinguish your business, you should know who your competitors are, what they promise, what they deliver, what they stand for, and the ways in which they are similar or different to you.

## Building your value proposition

# Intersection of clients and business

The value you deliver to clients lies in the place where your areas of expertise intersect with your clients' needs and problems.

### To appreciate and articulate this intersection, you might ask:

- How closely do my areas of expertise align with the needs of my ideal clients?
- How do my products, services and advice solve my clients' specific problems or improve their situation?

It pays to make a list of the ways in which your business, your products and your services can help people, and the specific benefits they derive. Write down the ways in which your services and

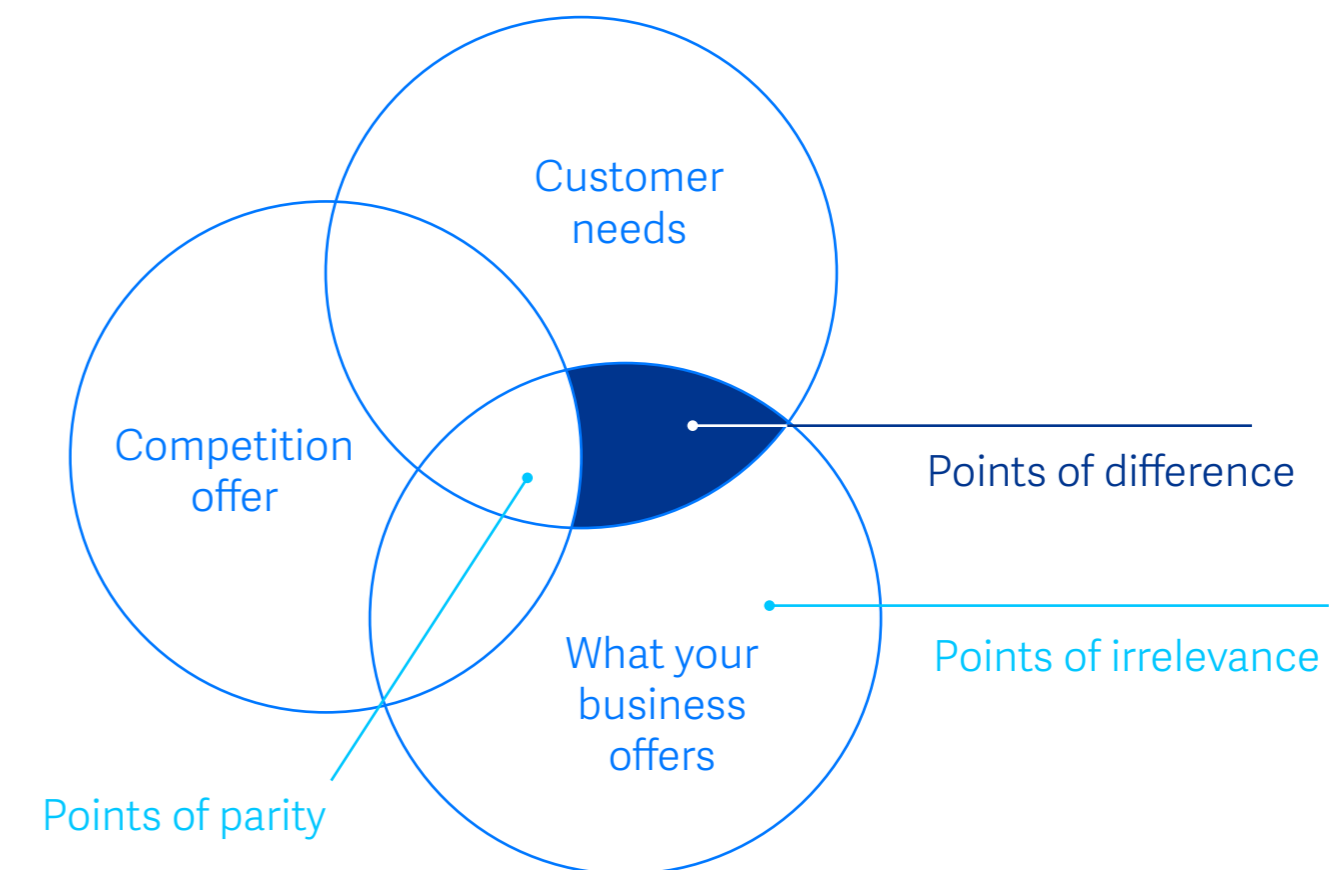
products solve real problems in ways that others don't.

How will engaging with your business save your ideal clients money, time and effort? How will your business make money for your ideal clients? How can you ensure that your ideal clients consistently feel good about the experience of interacting with your business?

For each client need and problem that you have identified, can you identify a matching service or product that you already offer? For those problems that you cannot easily address, do you need to develop additional services or products? Or do you need to develop relationships with referral partners to

address these specific client needs?

Once you can demonstrate that your business is directly relevant to your clients, you will be in a position to explain the value you offer and to create a compelling sales message that encourages clients to act.



## Building your value proposition

# Writing your core value proposition statement

It's time to begin writing your core value proposition statement.

**The format of your this statement might include:**

1. Who are you?
2. Who are your ideal or targeted clients?
3. Where are you and your ideal clients located?
4. What benefits (or value) do your ideal clients attain through engaging your business?

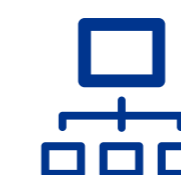
5. What advice, services and/or products do you deliver (that provide the described value to your ideal clients)?

**The following are examples of how advisers might apply these:**

- As a (1) financial advice professional, I help (2) families (3) in Victoria to (4) bring discipline to their financial affairs and achieve peace of mind through (5) astute advice on savings, asset allocation, investment and wealth management.
- As an (1) adviser at ABC Pty Ltd, I

work with (3) Queensland (2) company owners to (4) grow their businesses, protect assets, invest wisely and implement succession plans through (5) business planning, investment, tax management, risk management and estate planning strategies.

- As a (1) retirement planning professional, I work with (2) high net worth individuals in (3) Western Australia to (4) effectively manage their transition through retirement with (5) advice on retirement plan design, investments, tax minimisation and risk management.



You can also create a series of value propositions, based on the detailed needs of different ideal client personas.

These are brief, general examples. Your value proposition statement, is likely to be more detailed, specific and comprehensive. You can also create a series of value propositions, based on the detailed needs of different ideal client personas.

## Building your value proposition

# Expanding your value proposition

To begin expanding your value proposition – making it more authentic and inspirational for both you and your clients – you may wish to include a sentence or two that aligns with your business’s vision or mission statement.

For instance, if your business mission includes a commitment to specifically helping young people, or women, or if you specialise in promoting investments that support environmental sustainability, you would include this information in your core value proposition statement.

At the end of the day, your value proposition helps you to provide the services and products you believe in to clients you enjoy interacting with (and

with whom you share similar values). It articulates what your business stands for and what sets it apart from others.

As mentioned in the previous chapter, if you have multiple targeted clients, you can also develop multiple value proposition statements – e.g. perhaps one for small business owners, one for retirees, and one for younger people.

Another way of expanding your value proposition is to follow the suggestions of Michael Kitces and Mitch Anthony, by considering value in terms of ‘return on life’ (ROL) rather than just ‘return on investment’ (ROI). In a [2015 blog post](#), Kitces wrote that Anthony had “put forth what may be the best set of terminology I’ve ever heard for articulating the

true client-centric value proposition of financial planning.”

**The terminology is contained in the following “six key value propositions of financial planning” that advisory businesses can use to articulate the ROL value they offer to clients:**



Consider value in terms of ‘return on life’ (ROL) rather than just ‘return on investment’ (ROI)

- **Organization.** We will help bring order to your financial life, by assisting you in getting your financial house in order (at both the ‘macro’ level of investments, insurance, estate, taxes, etc, and also the ‘micro’ level of household cash flow).
- **Accountability.** We will help you follow through on financial commitments, by working with you to prioritise your goals, show you the

## Building your value proposition

steps you need to take, and regularly review your progress towards achieving them.

- **Objectivity.** We bring insight from the outside to help you avoid emotionally driven decisions in important money matters, by being available to consult with you at key moments of decision-making, doing the research necessary to ensure you have all the information, and managing and disclosing any of our own potential conflicts of interest.
- **Proactivity.** We work with you to anticipate your life transitions and to be financially prepared for them, by regularly assessing any potential life transitions that might be coming, and creating the action plan necessary to address and manage them ahead of time.
- **Education.** We will explore what

specific knowledge will be needed to succeed in your situation, by first thoroughly understanding your situation, then providing the necessary resources to facilitate your decisions, and explaining the options and risks associated with each choice.

- **Partnership.** We attempt to help you achieve the best life possible but will work in concert with you, not just for you, to make this possible, by taking the time to clearly understand your background, philosophy, needs and objectives, work collaboratively with you and on your behalf (with your permission), and offer transparency around our own costs and compensation.



If you have multiple value targeted clients, you can also develop multiple value proposition statements.



## Building your value proposition

# Communicating your value proposition

Don't leave your value proposition to languish in a folder on your computer desktop. You need to bring it to life.

At the very least, versions of your core value proposition statement should be prominent on your website, in your marketing collateral and on your social media pages (Facebook, LinkedIn, Twitter, Instagram etc).

"There are different ways of bringing your value proposition to life these days," says Sue Viskovic. "It doesn't have to be static."

"For example, if you have multiple value propositions for different client 'avatars', you might put together a video on each one. You might include the videos on your Facebook page and then

boost each post (or create a specific ad) to display each one to the specific audiences they are designed for."

"Or you might ask for testimonials from your clients that capture exactly what you do that they love and have them tell the story for you."

Your value proposition should permeate every element of your business, including all business development or sales conversations.

When you meet with someone for the first time in a business setting, and they ask, "What do you do?", you can deliver your core value proposition statement (as a kind of 'elevator pitch'). Alternatively, you can initiate a more in-depth conversation by introducing



**"There are different ways of bringing your value proposition to life these days," says Sue Viskovic. "It doesn't have to be static."**

one or two elements of your value proposition and following up with questions that enable you to customise the proposition to their individual circumstances.

For instance, you might begin simply by saying, "I help people to organise their financial affairs". You can then ask the other person what they do.

Thereafter, the conversation can unfold naturally, with you asking more questions and articulating your value proposition in the context of their specific needs and preferences.

## Conclusion

# Test and evolve

Once you have written your core value proposition statement – and have used it in your business for some time – it pays to review it regularly to ensure it continues to be inspirational and relevant for your business and for your clients.

**To do this, ask yourself questions such as:**

- Can I clearly explain who my ideal clients are?
- Can I clearly explain my ideal clients' primary financial needs and problems?
- Does my core value proposition statement use clear, detailed, specific language to explain how my services and products directly address my ideal clients' financial needs and

problems?

- Do my existing clients appreciate their ongoing relationship with my business?
- Do my existing clients appreciate the value they derive from the fees they pay to my business?
- Am I comfortable that the fees I charge for my services and products represent significant value for my ideal clients?
- Does my value proposition align with my personal, professional and business vision and mission?

The answers to these questions will help you to constantly evolve your value proposition and remain relevant in the

eyes of your clients.

Ultimately, however, any value proposition is worthless if you, and your people, don't live up to it every day.

As a financial adviser, one of the worst offences you can commit is to promise one thing and deliver another – or fail to deliver at all.

For example, if your value proposition includes a promise to bring discipline to your clients' financial affairs, it's not enough to present an initial financial plan and leave the implementation of that plan entirely up to them. You need to collaborate with them, on a regular basis, to review each stage of implementation and provide hands-on support to ensure they achieve continuous improvement.



**Ultimately,  
however, any value  
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and your people,  
don't live up to it  
every day.**

# About Netwealth

**We are a technology company, a superannuation fund, an administration business. Take advantage of Netwealth's robust and fully-featured platform that is both powerful and flexible enough to meet the evolving needs of your business and clients.**



## Rated Australia's #1 platform

Rated by Investment Trends as number 1 in overall satisfaction by users in 2013, 2014, 2015, 2016 and 2017, and rated number 1 by analysts as best overall platform in 2015, 2016 and 2017.



## Technology

Access the latest technology and innovations. Our focus is on ease and efficiency, which means we give you and your clients enormous capabilities without the complexity.



## Efficient administration

No matter how big or small your business, or what stage it's at, we give you the support you need to take the right steps forward. Our team makes running your business easier by providing support with regulatory changes, efficient direct equities handling and a timely turnaround on applications and liquid redemptions and tax reports.



## Choice and flexibility

Netwealth has a solution for all the wealth needs of your clients. Whether they are looking for superannuation, SMSF administration, wrap accounts or insurance, we offer you and your clients real choice that can be tailored to match individual circumstances.



## Support

Making sure your business runs smoothly and efficiently is as important to us as it is to you. That's why Netwealth offers a four-tier support system, so whenever you need help, training or guidance someone from our dedicated team will be there to help you.



## Managed accounts

Not all managed account technology is equal. Enjoy the efficiency and scale benefits Netwealth's Managed Account can provide your business. And it is fully integrated with our super and wealth services.

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