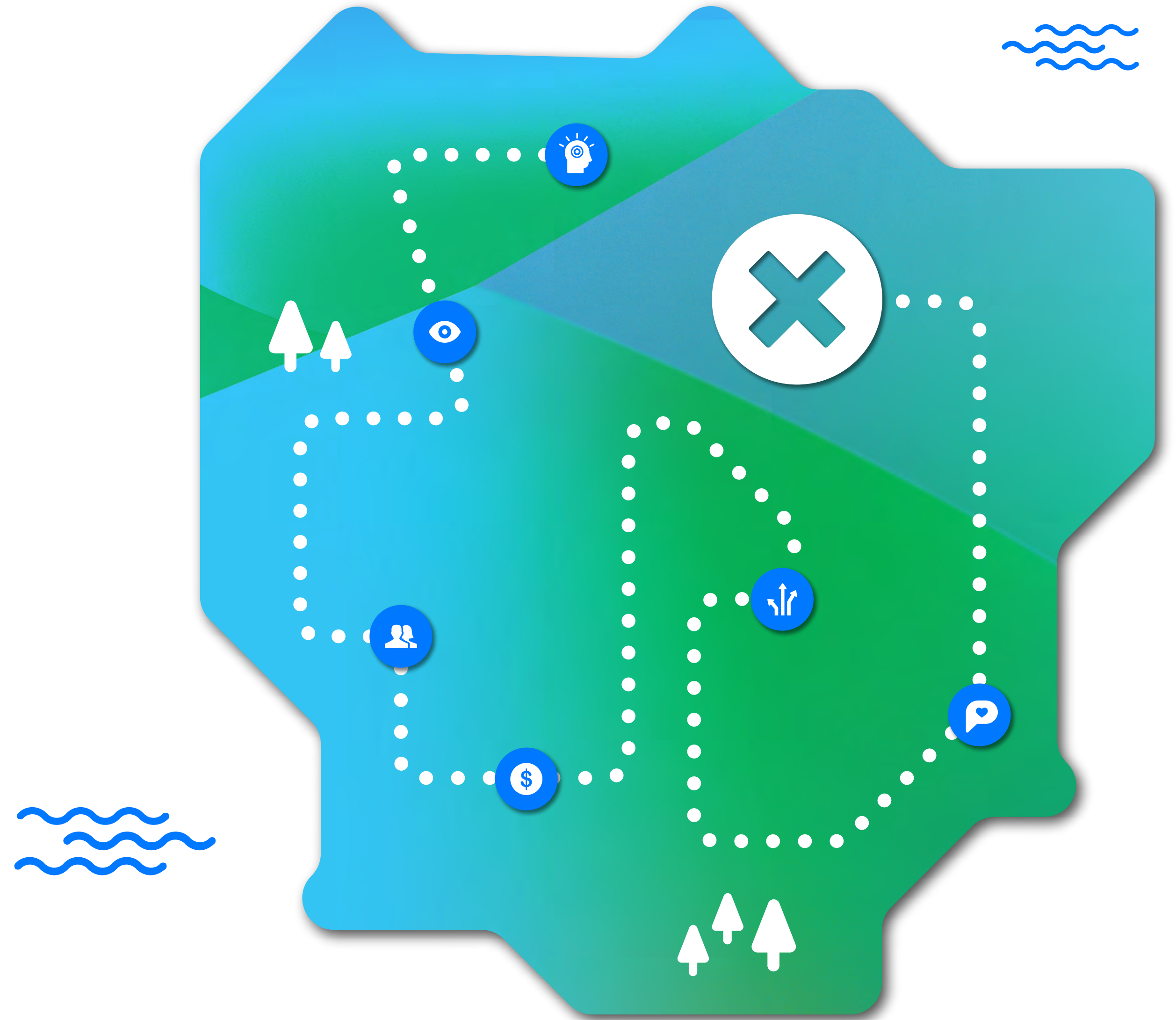


Finding your treasure with Pirate Metrics

Six strategies to take your client engagement to the next level



AARRR!

The mid-year XY on Tour has become a staple for advisers wanting to make a step-change in the way they deliver advice to their clients. This year eighteen different experts shared how you can attract and continue to help your clients at each stage of their advice journey using the famed 'Pirate Metrics' framework.

As we did last year, the Netwealth / XY Adviser partnership has condensed these presentations into a digestible white paper, to help you navigate the choppy waters of running a business. There will be no walking the plank in this white paper, just friendly sailors providing valuable insights and new ideas to hopefully challenge your status quo.

We hope you enjoy!

Matt Heine

Joint Managing Director, Netwealth

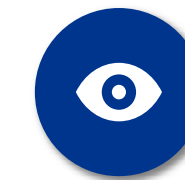
Clayton Daniel

Managing Director, XY Adviser

Pirate Metrics look to break down the entire client engagement lifecycle into six distinct parts:



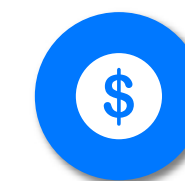
Awareness



Acquisition



Activation



Revenue



Retention



Referrals

Contents

04	Meet the speakers
06	Awareness
15	Acquisition
20	Activation
26	Revenue
29	Retention
32	Referrals



Meet the speakers

Meet the advisers



Nat Daley, Partner at Hard Line Wealth, focuses on small to medium business owners who are starting to pay themselves handsomely but don't know what steps to take next to advance their business and secure their future.

hardlinewealth.com.au



Felicity Cooper, Founder of Cooper Wealth Management and The Financial Woman, mainly works with people who have a particular mindset, in that they take their money seriously and want to get their ducks in a row.

cooperwealthmanagement.com.au



Ross Marais, Co-Founder and Adviser at More Time Financial and host of the More Than Money podcast has clients that fall into two categories: i) young business owners who have been in operation for over two years, and ii) young professionals who are ticking the firsts off their list, like buying their first house or having their first baby.

moretimefinancial.com.au



Cara Brett, Founder and Adviser at Bounce Financial, delivers holistic financial advice to professional families in their 30s and 40s. Her clients are often married with a couple of kids and have just bought their first or second house.

bouncefinancial.com.au



Michael Khouri is Founder and Adviser at Better Financial Planning. As a family man, he focuses on helping other families who want to plan for their future.

betterfinancialplanning.com.au



Ben Nielson, Founder and Adviser at Neilson & Co Wealth Management, works exclusively with the farming community. Typically, farmers have had their land and business for generations, so he helps them set up for the next generation to take over and manage their wealth today.

neilsonwealth.com.au



Ben Nash, Founder and Financial Adviser for Pivot Wealth, was built with a strong conviction around the importance of client education. They place emphasis on helping people understand the universe that surrounds money through their blog posts, eBooks, money education events and one-on-one advice.

pivotwealth.com.au



Adam Morse, MD Private Wealth at the BlueRock, focuses on businesses and their owners, particularly those in the 40-55 year age demographic who have businesses that turnover of between \$1 million and \$20 million.

bluerock.com.au



Shane Light, Head of Advice at The Hopkins Group, offers holistic financial advice for skilled workers, many with families, in the middle-income bracket.

thehopkinsgroup.com.au



Claire MacKay is an Independent Financial Adviser and Non-Executive Director at Quantum Financial Services. She consults to the ATO, ASIC and other associations and lectures at Macquarie University.

quantumfinancial.com.au



Alysia Laird, Founder and Adviser at Zebra Tailored Wealth, has a clear motto in her business – “no two zebras have the same stripes, no two humans have the same fingerprints nor the same financial needs.” Their aim is to help clients secure their future while enjoying their lifestyle today.

zebratailoredwealth.com.au

Meet the consultants



Maria De Conno, Managing Director of Fig Tree Digital a creative digital marketing agency specialising in strategy, branding, social media, digital, copy and design.

figtreedigital.com.au



Sam Davies, Director of Digital Noir, is a forward thinker with old school values and is a hands-on inhabitant of the digital world. They partner with organisations to design and deliver digital products their customers love.

digital-noir.com



Stephanie Tuominen, Digital Marketing Strategist and Founder of Allure Digital Marketing, who offer a holistic outsourced digital marketing solution for small to medium enterprises without an in-house marketing team. In 2009 she was named Young Businesswoman of the Year in South Australia.

alluredigitalmarketing.com.au



Amy Jacobson, emotional intelligence and human behaviour expert, comes from a financial services background, who wrote the book 'Emotional Intelligence- A simple and actionable guide to increasing performance, engagement and ownership'. She is also an expert in engaging people on social media.

[LinkedIn](#)



Simon Bowen, Founder of The Models Method, is a dynamic change agent, consultant, facilitator, CEO mentor, speaker and author with nearly 30 years of focus analysing the keys to peak performance and success.

modelsmethod.com



David Haintz, former Director of Shadforth Financial Group and Principal at Global Adviser Alpha, a consultancy practice working closely with advisers all over the world to implement a more client-centric approach to the way they deliver advice.

sfg.com.au



Julie Bennett, Principal at 64 Media, consults with financial service businesses who want to build their reputation and public relations (PR) standing in the media.

64media.com.au

1

Awareness

Building and executing your brand purpose



A brand is more than a logo

The tour started in Adelaide with Maria De Conno, Managing Director of Fig Tree Digital, Sam Davies, Director of Digital Noir, and Stephanie Tuominen, Digital Marketing Strategist and Founder of Allure Digital Marketing, sharing their collective wisdom on how to build awareness. After all, if clients don't know about you or your services, you can't help them.

When asked to articulate brand awareness, the guests collectively agreed a brand goes well beyond a logo. Sam said: "It's what people say about you and your company when you're not in the room." Maria spoke to the "purpose of why your company exists," whilst Stephanie believed it "reaches all the way down to the way you speak, dress and present yourself."

Maria believes that to build your brand you first need to identify who you are as an organisation, which involves going back to basics and reflecting on what your business represents. Sam suggested trying to identify the immediate emotional connection you want clients to have when they think about your business. This could cover the whole spectrum of human emotions, but in essence, it's about what feeling you want your brand to give your clients. A feeling that should reflect your brand values, brand attributes and brand purpose.

Andrew Braun, Netwealth's General Manager of Marketing added: "You need to be true to your brand purpose and make sure that your company and your staff are always living and breathing it." This means that your brand purpose should not only be reflected in your marketing materials, social media and website, but also how your staff communicates and interacts with clients across all client touchpoints.

"As you build your brand, it eventually expands beyond the control you have of it," Sam said.



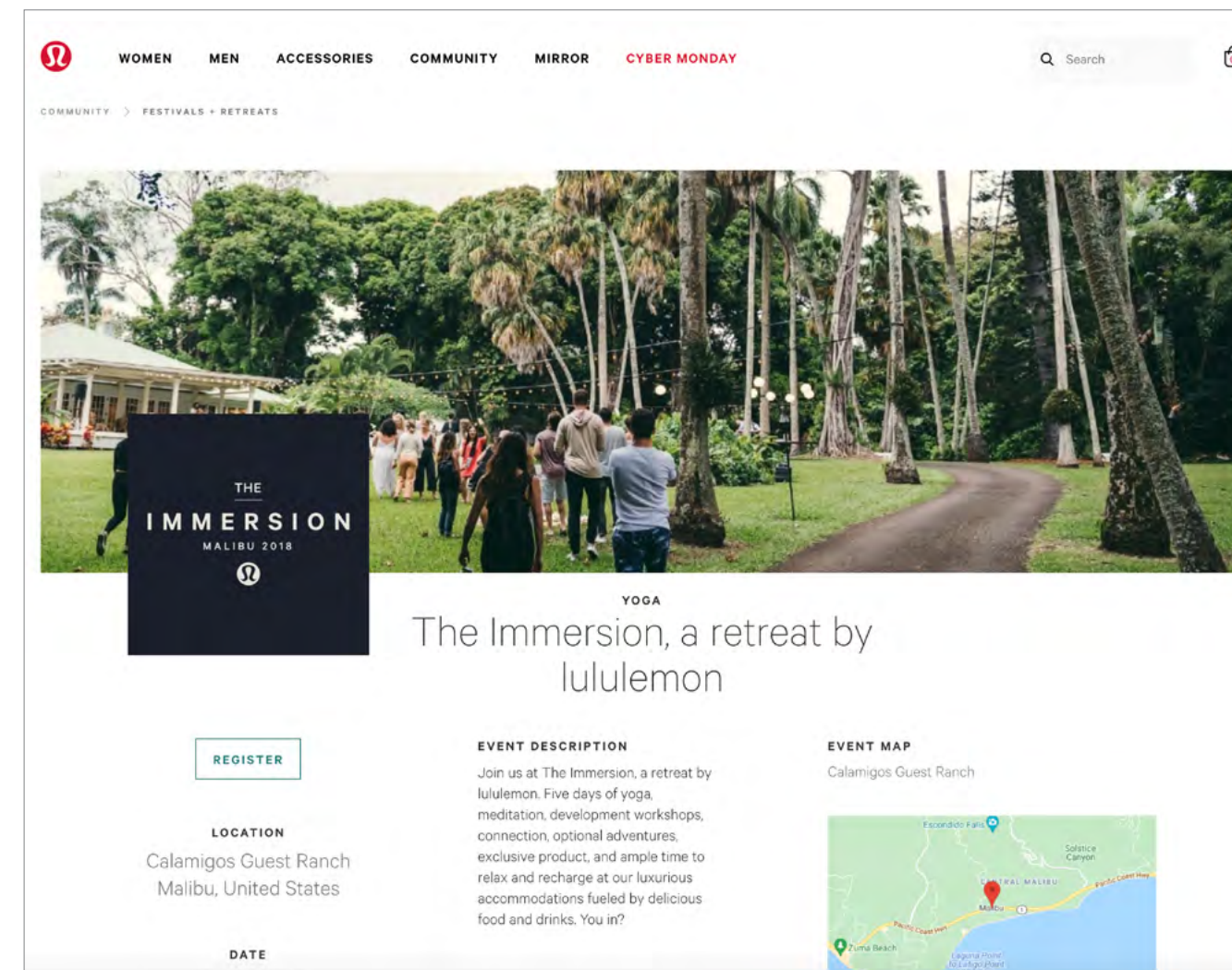
Brand purpose in practice

If we look externally for inspiration, Lululemon is a good example. It is women's athletic wear company with a market cap of around \$63.8B* whose brand mission is: 'We're a mindful movement that believes if we push past our sweaty boundaries, we're able to build the strength to push ourselves in other aspects of life.'

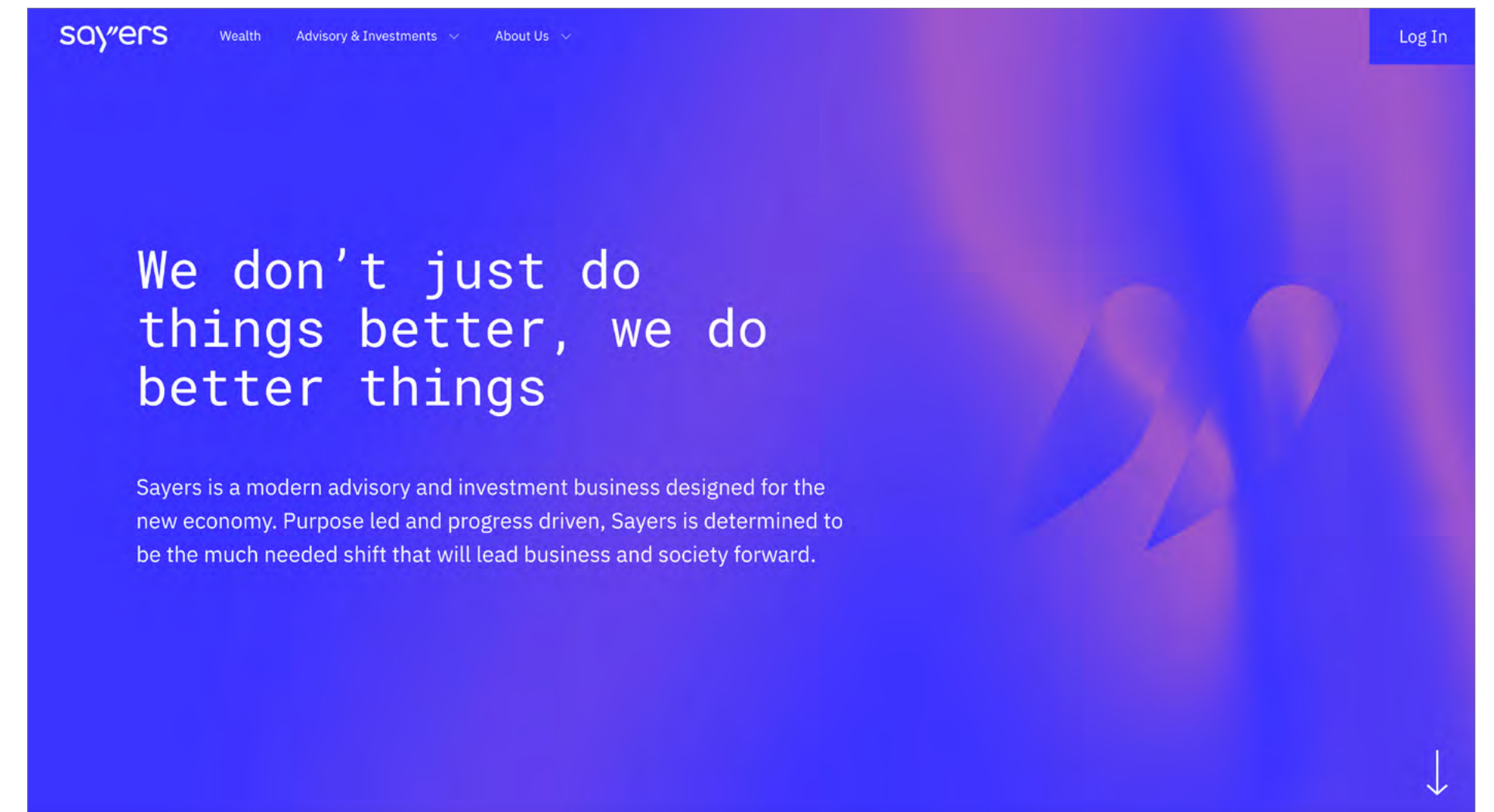
They connect with their customers through a range of festivals and retreats focusing on yoga, meditation and spirituality to live their purpose with their clients.

Sayers is another example. They are a recently established wealth and advisory firm, established by an ex-CEO of PWC. They are a purpose-led business, who state they exist to be the catalyst for system change, to invest and nurture the potential of people and technology and to accelerate progress for all.

The home page of their website clearly articulates this front and centre.



Source: Lululemon website



Source: Sayers website

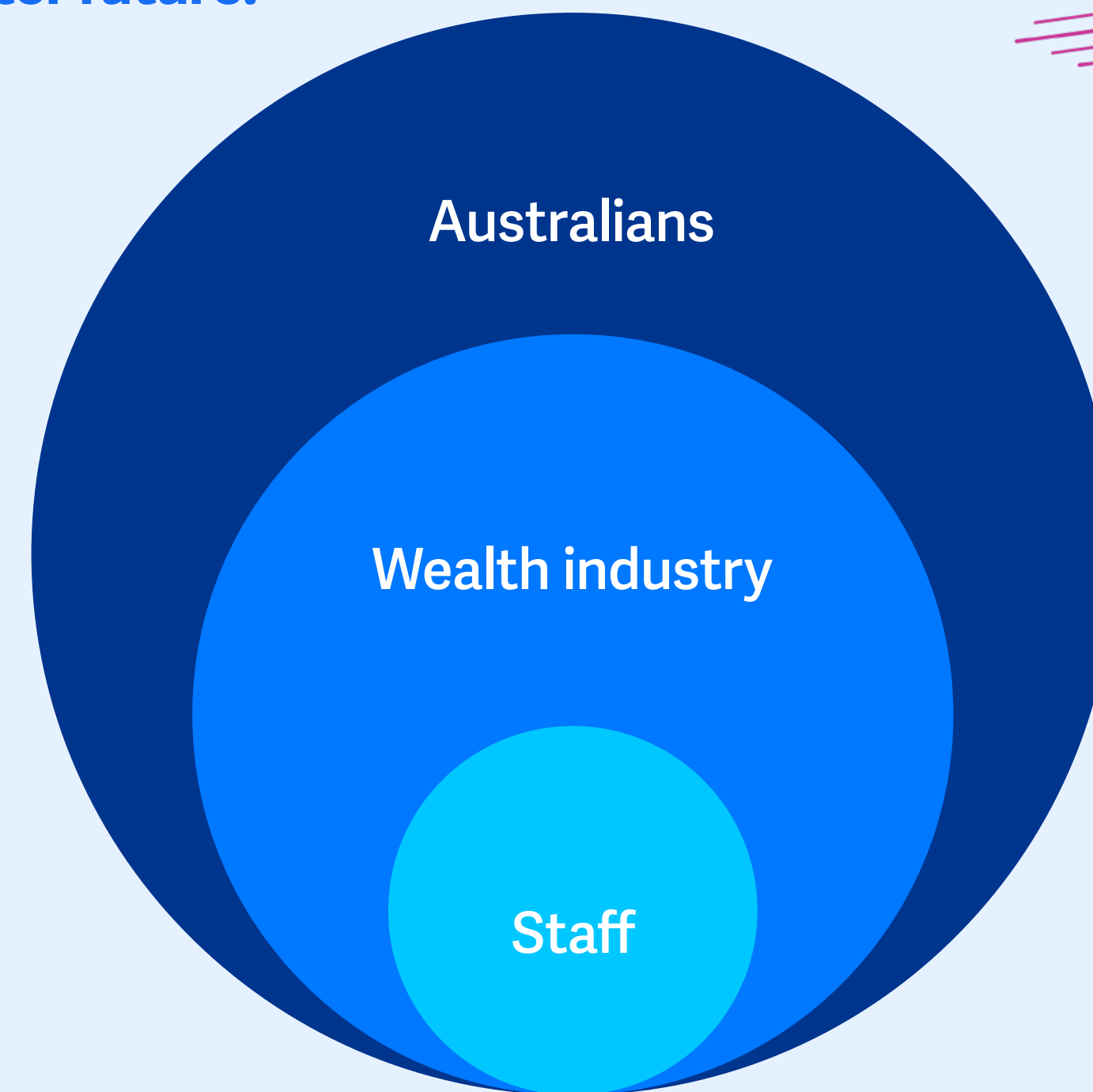
*source: <https://finance.yahoo.com/quote/LULU/>

Netwealth's purpose is to...

At Netwealth, their purpose is to enable Australians to see wealth differently and discover a brighter future. They do this through their staff with and employee value proposition that includes access to AIA Vitality, financial advice and discounted health insurance.

In the financial and wealth industry they produce insights, like this white paper, which are designed to help advisers see their business differently so they can grow the wealth of their clients, their staff and themselves. They also live their purpose in the community at large by sponsoring Banquer and providing free financial literacy education to Australian primary school kids.

"...enable Australians to see wealth differently and discover a brighter future."



17,000+ Australian kids
620+ classrooms
400+ schools



Employee value proposition includes: AIA Vitality, Financial Advice, Health Insurance

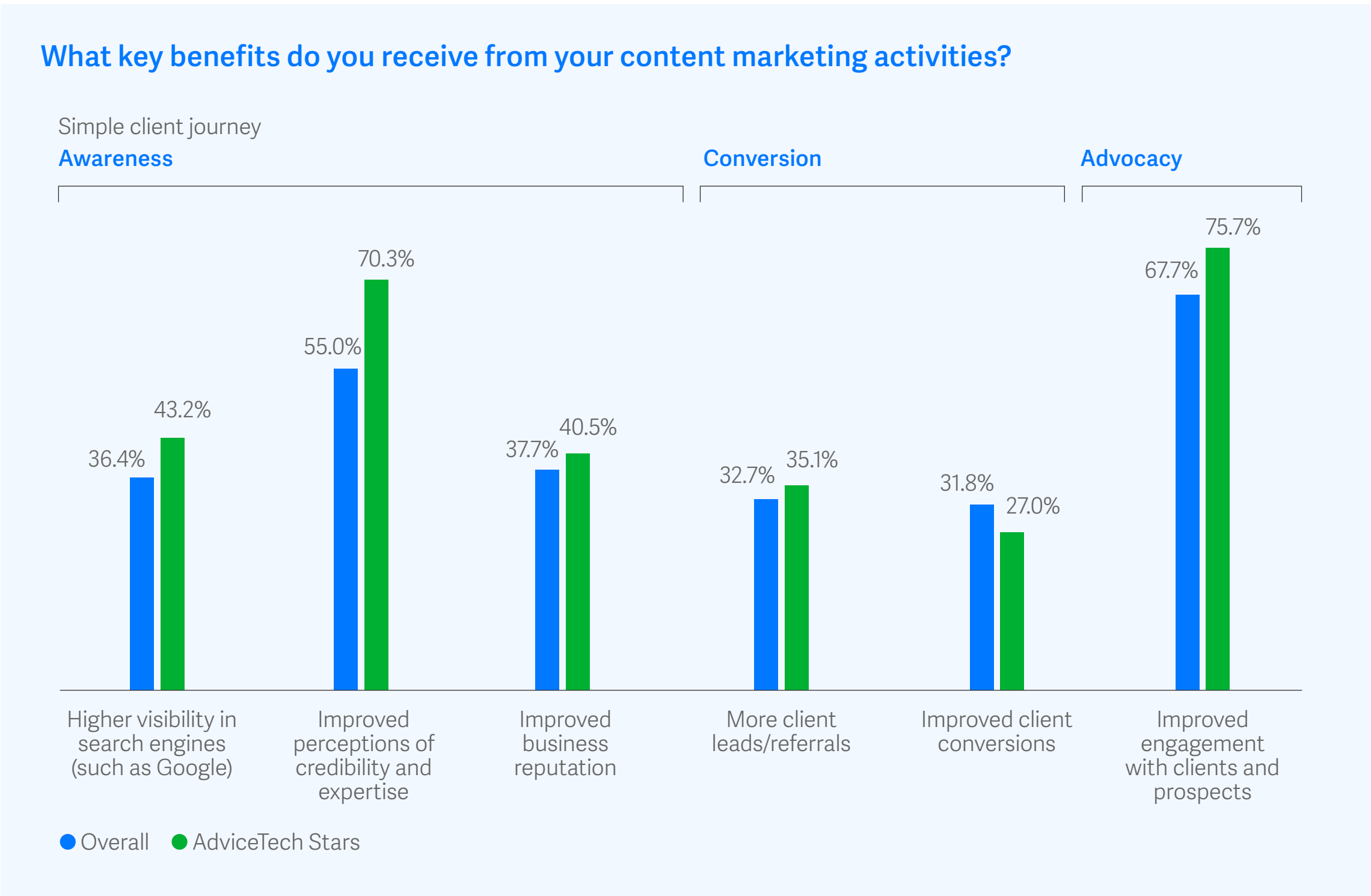
Building brand awareness

There are several marketing tools you can use to build awareness of your brand with prospects and clients. This may include creating relevant content and distributing it through your website, social media platforms and paid channels. Advertising also has its place in building brand awareness. Regardless of your tactics, both require commitment.

Content marketing is not necessarily a promotion of a specific product, its primary purpose is to build brand awareness and build a rapport with potential customers. Today modern marketers

use content as a way to articulate their brand, communicate their value proposition, personality and uniqueness through storytelling.

Your content may be in the form of blog articles or eBooks available on your website. They could be short form videos, webinars or white papers. Sharing helpful content that’s educational and provides insights into who you are as a business will help create an emotional connection with your audience.



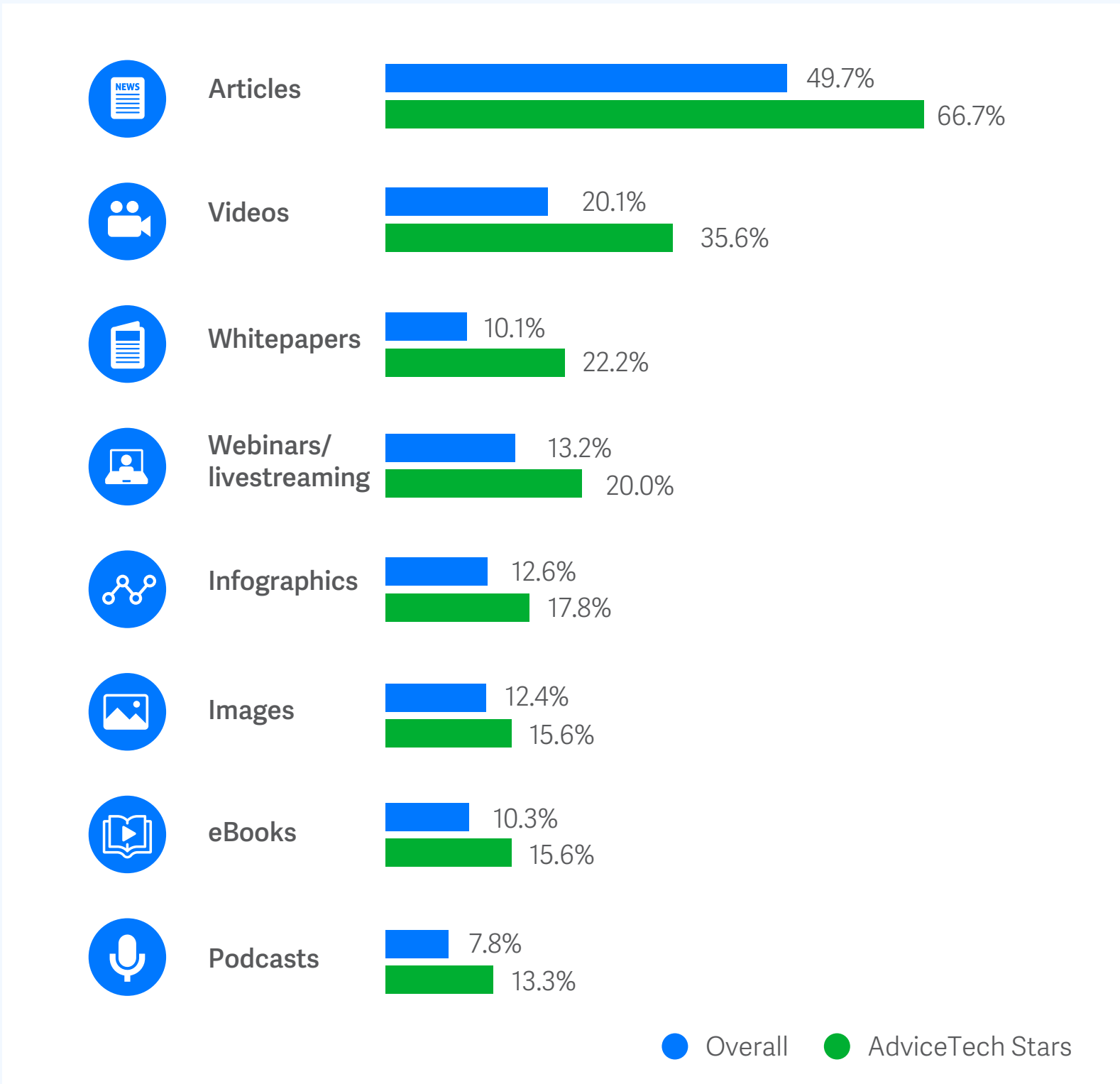
Source: 2021 Netwealth AdviceTech Report

Content can also increase your organic rankings to help with search engine optimisation. This means search engines like Google are more likely to find your website and show it in search results because it has relevant content on it.

Your website is also a great tool to build brand awareness and showcase who you are and what you stand for. Not only can you showcase your content, but also your staff and your commitment to the community.

“Using case studies with real clients is a fantastic way to showcase your services as it humanises your offer with third party endorsements,” suggested Andrew.

Which of the following types of content do you create for clients?



How do you typically distribute your content?



Source: 2021 Netwealth AdviceTech Report

Using social media to amplify your brand

Social media is another amazing tool to build awareness, communicate with your audience, and start a conversation. With platforms like Facebook and LinkedIn, you can be seen as both an individual and as a business.

It often makes sense to use your individual profile to share who you are, what you do, and make personal connections with your existing clients, reach potential clients and build your professional network.

“Both you and your brand should share a congruent image,” suggested Stephanie.

Test what social media engages with your target audience better. Maybe it’s LinkedIn for professionals, or Instagram for millennials, or Facebook for Gen Xers.

“The key to social media is not to be all things to all people. You should pick your channels and maximise your strategy. Don’t aim to be everywhere at once,” recommended Stephanie.

You can also use the paid advertising features of social media to reach more of your target audience. If you think that by just posting to your Facebook wall or Instagram feed all of your followers will see the post, unfortunately you’re wrong. Social media networks want you to spend money with them.

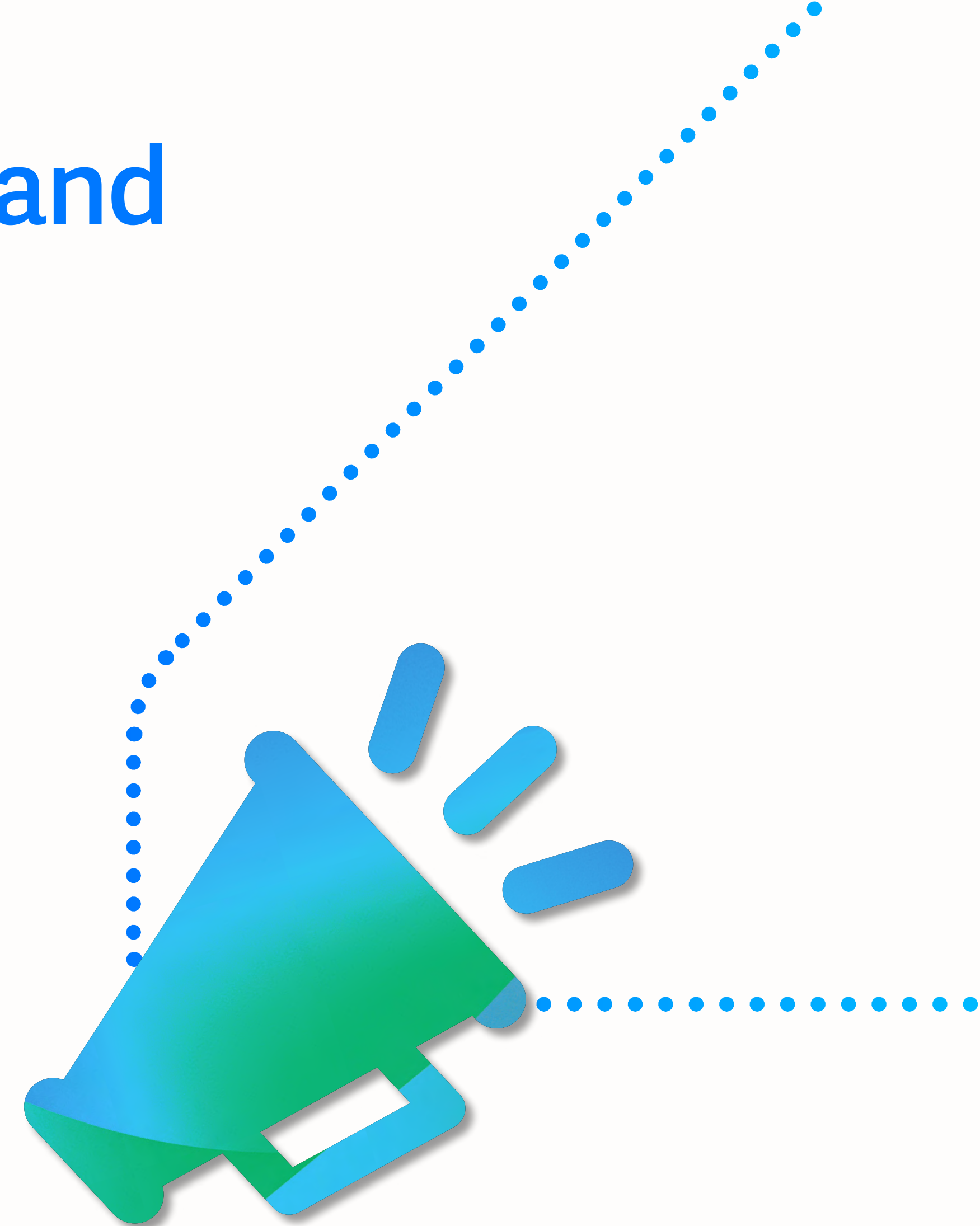
But this is ok, as paid social advertising is relatively inexpensive compared to more traditional advertising, like billboards or radio. It’s also measurable and targeted, this means it can be cost-effective if done right and produce accurate results.

“Just don’t use that blue ‘boost’ button. It doesn’t provide the targeting you need,” recommended Stephanie.

Other social channels you can leverage for your business include Google My Business and Google Reviews. These allow you to share information about your business, like your opening hours and location. Google Reviews also allow clients to provide feedback about you so that others can see it, this is often called social proof of your brand.

Julie Bennett, Principal at 64 Media, warned that people are quite savvy and many do their homework when choosing an adviser.

“Just like reviews can help you pick a restaurant, a poor review can reduce the level of trust people have in you and adversely affect your referrals,” she said.



Just start

There are a myriad of ways you can create your brand and amplify it to build awareness.

Knowing your ideal audience is critical as you want to make sure that your brand is 'talking' to your target audience from the outset. You then need to determine the appropriate channel to reach your target audience.

"If there is well timed content arriving in your (social media) timeline or email inbox, the person you are sharing information with will know relatively quickly if you're the right person to get in touch with," said Sam.

Sam recommended being agile in your approach to figuring this out. "Don't just decide you're going to start a podcast or write a blog every week and put precious time and money behind it only to discover months down the track that it didn't yield results."

Instead, Sam suggested trying different things on a much smaller scale and measuring the effectiveness of each. This way you can identify one or two strategies (or more, depending on the resources you have available) that work, and then go all in and invest the time and money required to generate results on a larger scale.

"You have to be agile in the way you approach paid advertising on social media, like Facebook.

Don't just set up one picture with one comment and put some money behind it with a set and forget approach. It won't have any impact, and you'll walk away from it thinking it doesn't work. It really is a matter of testing the audience, creative, the language – a bunch of different variables. Test small, find out what works, then start putting the money in," said Sam.

Maria explained that social media and digital advertising platforms change over time. "What works today, won't work tomorrow. You need to keep testing as the platforms shift and the rest of us have to catch up. When existing channels launch a new feature – that's typically a great place to be. The platforms rule the roost, and when they launch something new, it's a smart play to follow the new feature."

"Don't just decide you're going to start a podcast or write a blog every week and put precious time and money behind it only to discover months down the track that it didn't yield results."

- Sam Davies

Team workshop

Build your brand with Celebrity Heads

Netwealth has developed a self-paced 90-minute workshop for you and your team to kick-start your brand purpose discussion. In this workshop titled Celebrity Heads, you and your team will identify and discuss the key attributes of your brand in reference to famous people and companies.

[➔ Download the workshop now](#)



2

Acquisition
Be seen, felt
and believed by
your audience

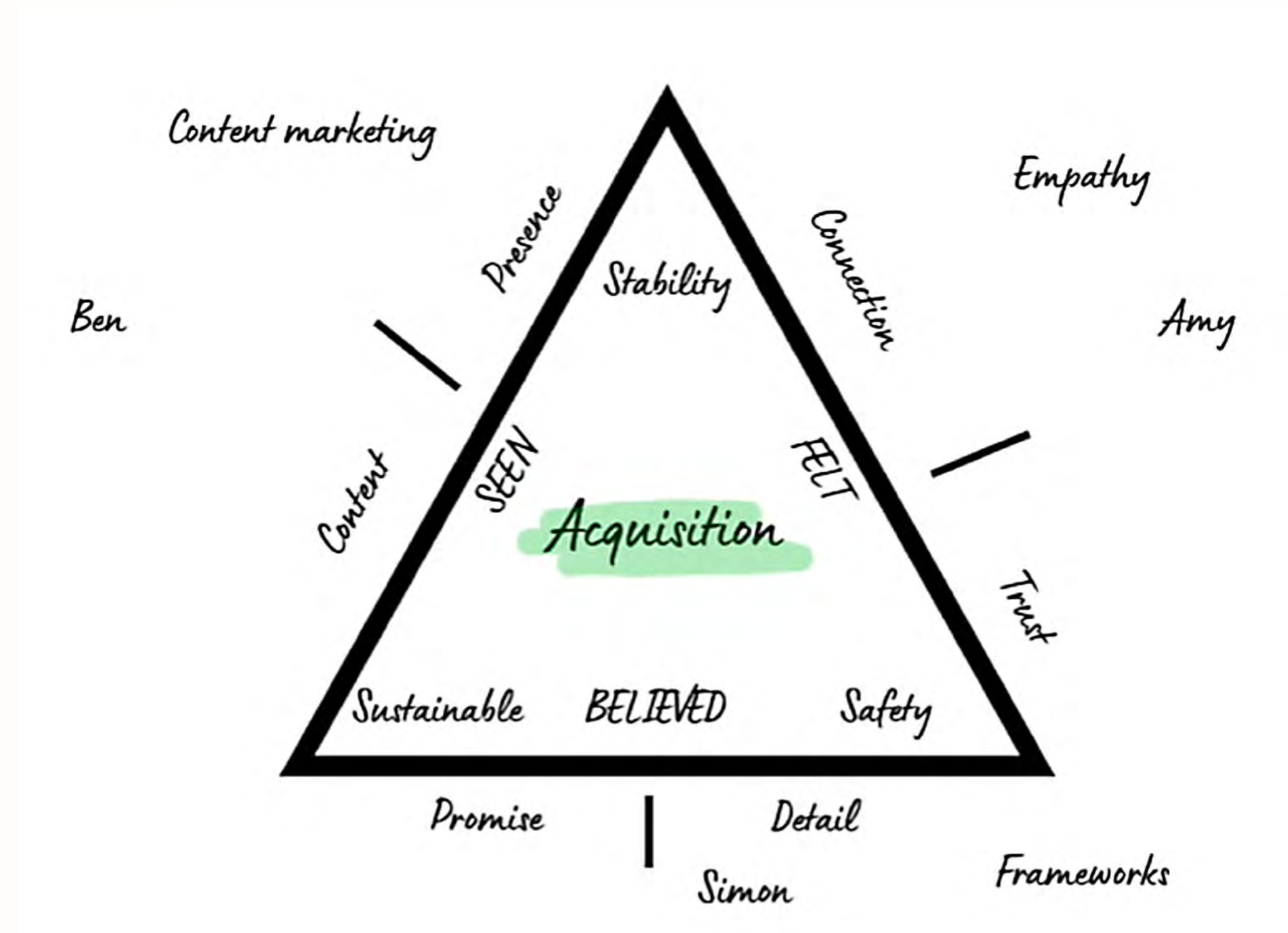


Building confidence with your audience

According to Netwealth's Advisable Australian Report, 21.6% of Advisable Australians who don't have a financial adviser do not use one because they cannot find someone they trust. Building trust is complex, but in essence your prospects need to gain confidence and believe that you and your practice can help them and add value to their lives.

The following framework is an approach to building trust that was discussed by three XY on Tour experts.

Ben Nash, Founder and Financial Adviser for Pivot Wealth, shared how his content strategy helps his business be 'seen'. Amy Jacobson, Emotional Intelligence and Human Behaviour expert, discussed the importance of building connection and trust in social media to be 'felt', whilst Simon Bowen, Founder of The Models Method, shared why using visualisation frameworks can help build an emotional connection with your offer so that it is 'believed'.



A persistent digital presence in building trust

When Ben set up his business, he didn't want to be dependent on others to refer him business. To achieve this Ben adopted a "content-first approach."

Ben insisted on handling all the content creation himself and now has a busy content schedule. He hosts seminars, writes a weekly newsletter, records two weekly podcasts which is repurposed into several video bite sized chunks, and spends four hours a week writing content for external news websites. "I try to dedicate as much time as possible to content creation. We end up with more content than we can use," said Ben.

Ben explained how posting new content regularly online increased his presence over a long period of time and was essential to creating trust with his audience. He found being visible to his audience was more important than the content itself.

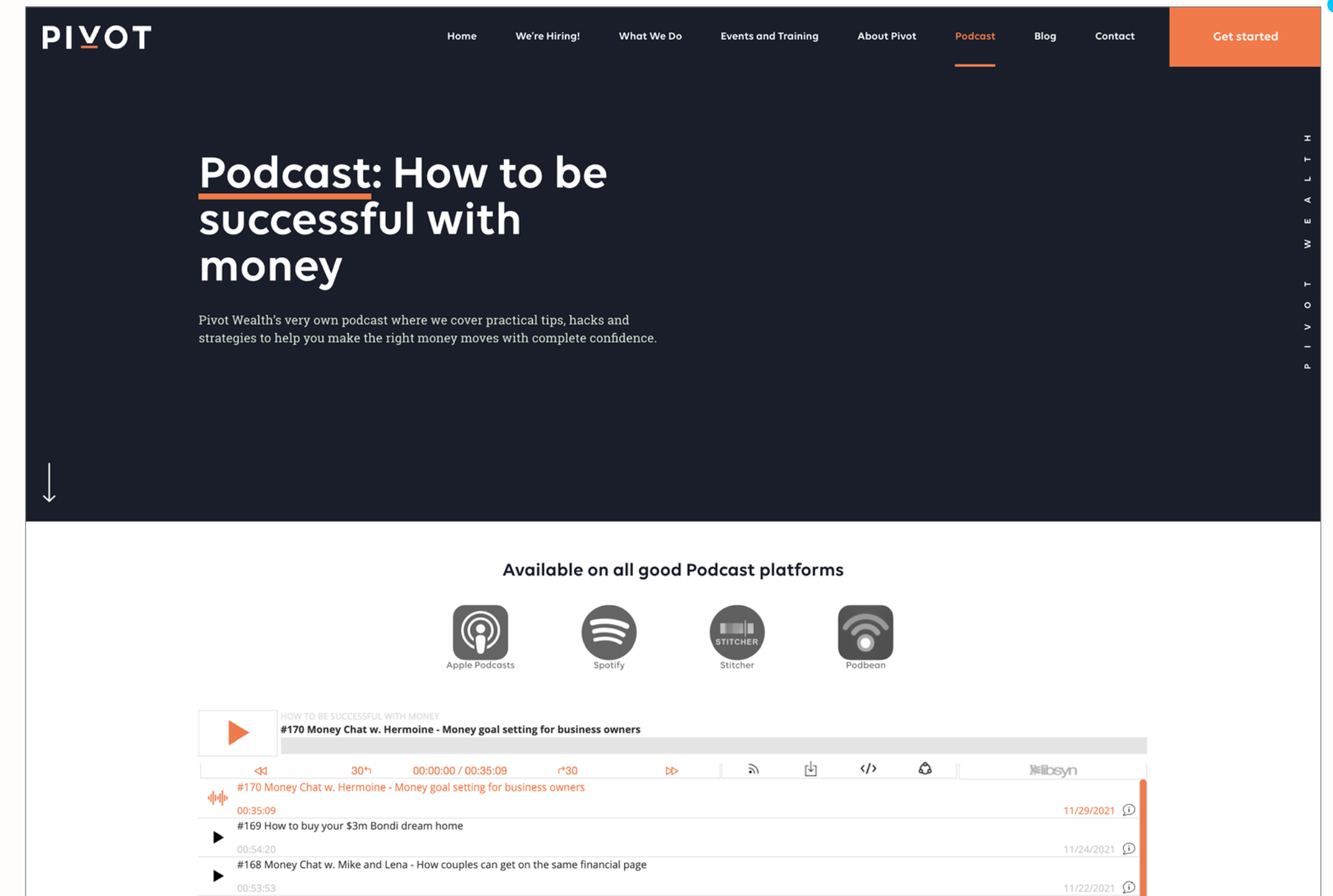
"What I've found is that even if someone doesn't consume my content, it provides a constant virtual tap on their shoulder. You're just always there. Your goal is to simply be visible, and the longer you do this for, as people come across your work every few months, there is an implicit assumption that you are credible."

While being active online is important, it's not enough - you also need great content that converts. Great content keeps it real and reaches your audience with value-added information, without the fluff, so you can build an online presence that is true to your own unique talents.

According to Ben, to create great content that consistently builds rapport with your audience you should focus on one channel and nail that before moving on to another.

"By mastering one channel at a time, you can learn through trial and error and build a strong platform," he explained.

For example, Ben focused on delivering high-quality webinars and in-person workshops (in pre-pandemic days) before launching a podcast.



Source: www.pivotwealth.com.au

Creating a true connection using social media

Another important part of building quality relationships with your potential clients is by creating an emotional connection, so you are 'felt'.

According to Amy, one deciding factor in whether a potential client, particularly a younger one, will choose to reach out to you is their emotional reaction to your social media posts.

"If someone connects emotionally with the messages you are putting out, they're also more likely to comment and start a dialogue with you," said Amy. "Although this is a virtual connection, it is real."

Amy likes LinkedIn as a social media platform to encourage emotional connections and build relationships.

"LinkedIn took me a long time to understand why some things work well, and some things don't. It's very different to every other platform. LinkedIn wants people to have conversations, they want to see interactions rather than sales advertisements. It's not a post and run type platform where you advertise," said Amy.

The LinkedIn algorithms reward you (and your business) by promoting posts that have higher levels of interaction than those that don't. It's

important to keep this in mind and try to craft engaging content or posts to encourage an emotional connection and interaction, this may then widen your online audience.

Another way to build an emotional connection on social media is to comment on other people's posts. But a warning – it's essential to make sure your comments match who you want to show to the world – remember your reputation is at stake.

"Your comment notifies not just the person who posted the comment – but every other person who has commented on the post before you," explained Amy.

To create a real connection on social media, Amy provided several tips to creating authentic posts and responding or commenting on posts:

- "Turn up and be real. It's okay not to be the right fit for everyone, and it's important to be comfortable with that."
- "Imagine yourself at an in-person event. How often do you walk up to someone, tell them a bunch of information, then leave? Never. So why would you do that online?"
- "For each interaction, turn up with the same energy you would use in a face-to-face encounter."
- "Make sure your comments reflect the same tone as your posts."



Using visualisation frameworks to explain concepts

In being 'believed', Simon discussed the importance of providing details without overwhelming potential clients.

"Visualisation tactics are one of the best ways to boost trust and credibility while not overwhelming people with information," Simon suggested.

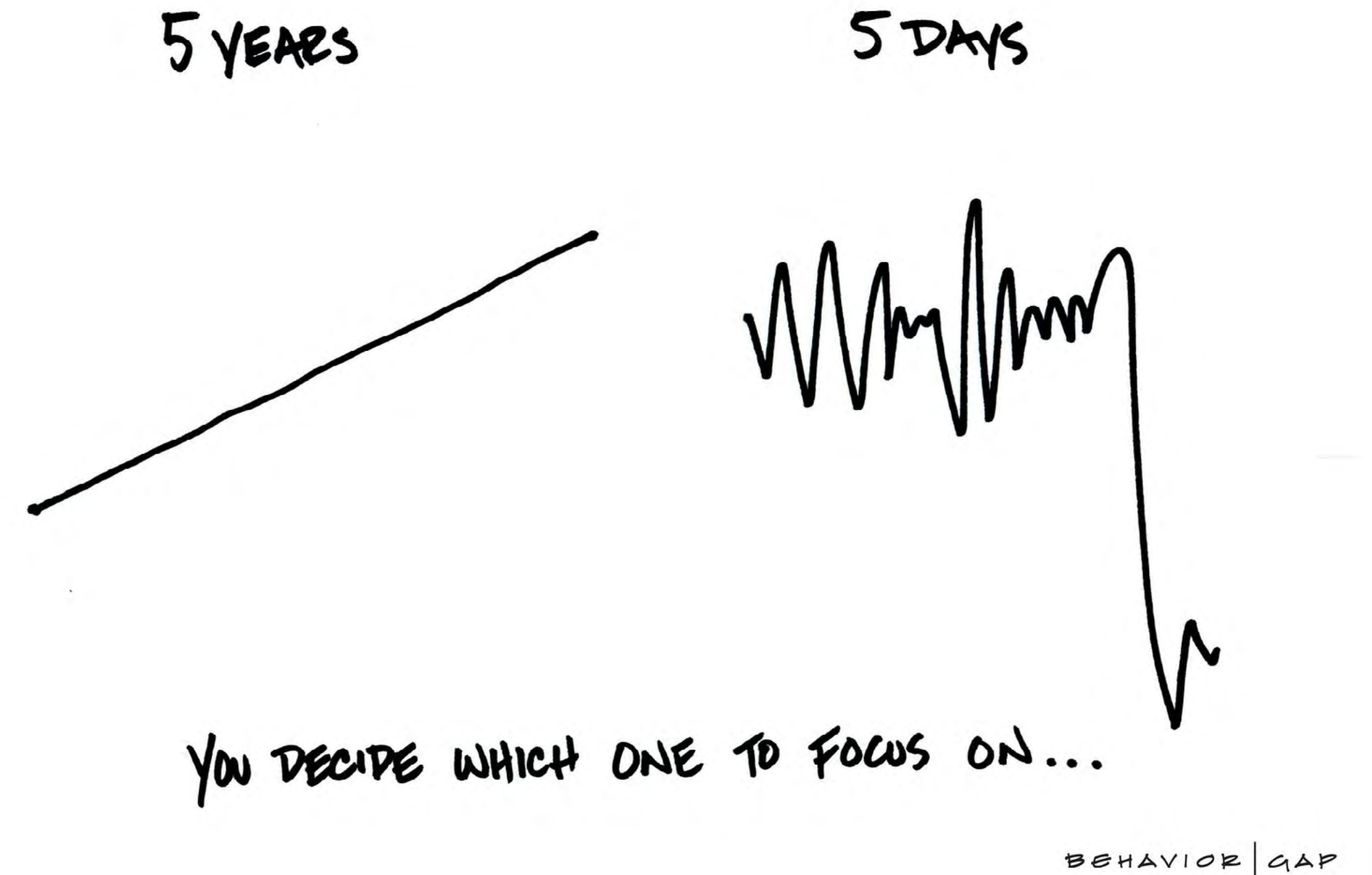
In Simon's practice they utilise illustrations and diagrams to explain complex processes and introduce new ideas in a way to help prospects connect with them immediately.

Simon said, "Research shows only around 12% of people want complex information delivered orally by explanation or by reading, whilst 88% of people want information delivered by visual models."

According to Simon, the research indicated that visuals take up less hardware space in the mind. And when you consider a potential client might be completely new to the financial planning process, the use of visuals can help reduce the information overload at the early stages of the acquisition process.

Moving towards using more visualisations in the sales process can also support greater two-way dialogue. It also allows you to spend less time on numbers, performance, products, and the details early in the process.

"The more time you spend in the numbers and the spreadsheets during the sales process, the less your potential client will connect with you emotionally. Elevate the conversation away from the detail. The more you focus on tools, you lower yourself to a product seller. Why would they use you if you're a commodity?" argued Simon.



3

Activation
The first
meeting with
your new client



Making your meetings count

The first meeting with a new client is your chance to showcase first-hand the value you can offer them and hopefully give them that 'a-ha' moment.

According to Netwealth's Advisable Australian Report, 30.2% of Advisable Australians who don't have a financial adviser do not use one because they 'can't justify the cost for the value received'. Once you have decided whether the prospect is a fit for your business, articulating your offer and its value has to be the focus of the first meeting.

XY on Tour presenters shared their tips on how to decide whether a prospect is a good fit for your business and how to make those early engagements count.



It only takes a phone call

Nat Daley, Managing Partner and Adviser at Hardline Wealth, begins his activation process with a 15-minute call to establish a potential client's situation. The conversation is quick and to the point and lets Nat determine if he can help them.

If he believes there is a fit: "We then send through a Calendly link to organise a first, in person meeting – which we charge for".

Felicity Cooper, Founder of Cooper Wealth Management and The Financial Woman, also starts her activation process with a 15-minute phone call. This gives her time to assess if she and the client are a good fit. During this call, if it's clear her advice can add value to the client, and the client would be a good fit, Felicity will continue the conversation to maintain relationship momentum.

"I'll tell the client I have nothing booked for the next 45 minutes, so we can continue if you have the time on your end. If the conversation continues, I will send out a proposal for services off the back of that first phone call meeting," she said.

One of Felicity's best activation tips is to try not to be all things to all people. "Keep your target audience in mind and only take on clients that you want to work with," Felicity suggested. This helps keep the client front of mind and, remember, they came to you to solve a problem.

A 15-minute call also marks the beginning of the activation process for Ross Marais, Co-Founder and Adviser at More Time Financial. If he determines that he can add value to the person's life, Ross will then direct the client to an online form where they can give him more information. He also sends them an income and expenses spreadsheet to complete. While he doesn't expect them to fill in all the details, it does act as a filter for him to gauge their commitment to the process.

"If the client doesn't send it back, we know they aren't interested. And if they are a business client, we use it as an engagement tool to prove they're already too busy to handle their own personal finances," said Ross.

Ross has found that clients buy into the process more when he puts them in the driver's seat. So, only once he's received the requested information does Ross hold his second more-in depth meeting

with the client. In this meeting he focuses on education, the financial planning process, goal planning and cash flow.

For Ben Nielson, Founder and Adviser at Neilson & Co Wealth Management, he first speaks to his potential agricultural client's accountant to find out the ins and outs of their finances before deciding whether he will work with them.

How to reject a prospect whilst still helping

Of course, not all prospects are a good fit or ready for financial advice.

If Ross senses that the client is hesitant, he is transparent about his fees to determine how committed they are and filter out anyone who is hesitant to pay for advice. If the client isn't interested in his services, then he sends them a resource list of brokers, online courses and books to help.

When Felicity believes that a prospect isn't a good fit, she sends them a financial health check and books based on their age group and life-stage to give them more direction. She also sends the information to clients who are a good fit before she meets with them so they can educate themselves. She has found that some clients will cancel the meeting, most probably because the information didn't resonate with them, which saves her time. Those who do arrive appreciate the content and are well educated and fully ready to commit to the process.



The initial discovery meeting

While each adviser has their own process, Adam Morse, MD Private Wealth at the BlueRock, believes it's the initial discovery that matters the most. He discusses his client's goals and then creates a structured plan they can follow to achieve their vision.

At this first meeting, Adam likes to include not only his client but also their lawyers, accountants and anyone else who is involved in helping them plan for their future. By having everyone involved in the initial discovery meetings, they can all have an opportunity to contribute their point of view and the goals they're helping their client work towards.

Nat's discovery meeting includes a focus on the client's 4 L's:

- Life - where do they see themselves in 10 years time?
- Loved ones - who do they spend most of their time with?
- Learning - what are they doing to expand their knowledge?
- Legacy - when they're gone what do they want to leave behind?

Nat also works with his client's accountant and asks them to attend meetings where possible as "they often have a better idea of what is going on inside their business". As an added benefit, "accountants are also all the best source of referrals", according to Nat.



The initial meeting between a prospect and Cara Brett, Founder and Adviser at Bounce Financial, starts with a deep dive where she asks them detailed questions about their goals and dreams so that she can really get to know them. She then asks them to complete an online form with details of their income, expenses, assets and liabilities. By doing this online she keeps paperwork to a minimum.

However, her favourite part of the onboarding process is going through the statement of advice (SoA). At this meeting, she focuses on her clients ‘Current You, Medium Term You and Future You’ formula and presents a plan with visual graphs and images that shows her client how their money will work for them at each stage of their life and what they may possibly be able to achieve in the future.

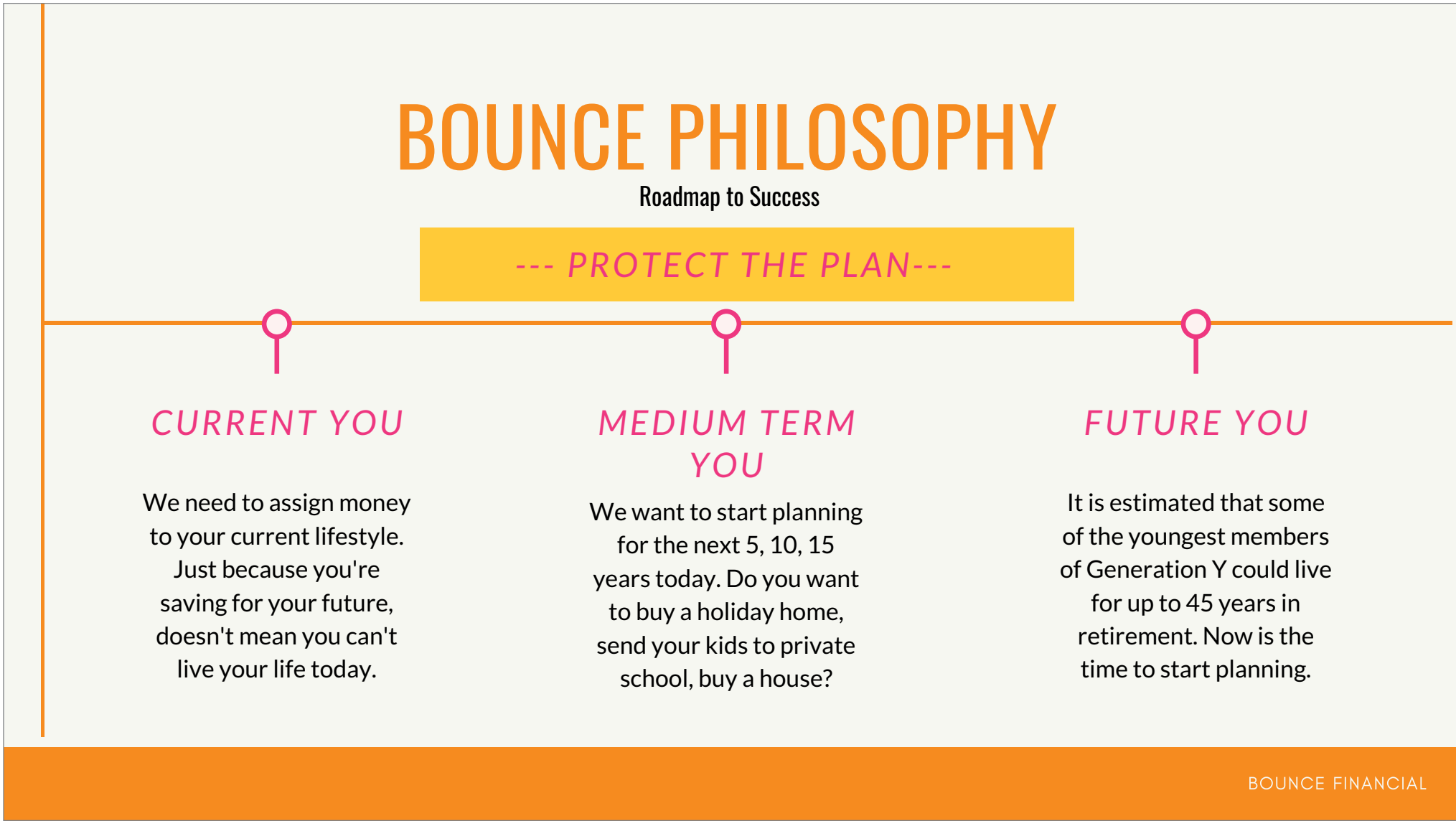
“We show them a map of their life and inspire them with the outcome to get through the documentation phase,” said Cara.

Michael Khouri, Founder and Adviser at Better Financial Planning, has an onboarding process that is fully digital. During lockdown, online

meetings were the only way to meet with his clients and he found this gave him more time for quality meetings without the stress and rush of travelling. Even now that he’s no longer in lockdown Michael still offers online meetings to his clients along with the option of meeting in person at his office - with 99% of clients opting for online.

“It has made the entire process more efficient. We don’t need to double handle data anymore. We are far more efficient,” claimed Michael.

For Ben, the onboarding process of his agricultural clients has been developed so that anyone else can pick up the process. “We complete 300 advice documents per year between two advisers, and I work four days a week. My focus is to make sure that our process is reliable and straightforward, so we have put many parts of our compliance process into automation.”



Source: Bounce Financial

4

Revenue
Delivering advice
efficiently and
profitably



Let's talk fees

Some advisers charge for the initial discovery phase, but many don't, as they see this as a step in making sure a client is committed to the advice process rather than generating revenue. Some advisers charge a fixed fee, others a percentage of funds they manage whilst others still use a hybrid. Working out what to charge for and how much is tricky, but it's a critical part of your value proposition that you need to get correct.

In this article, XY on Tour presenters shared insights into how they structure fees.

Cara Brett, Founder and Adviser at Bounce Financial, has a value-based model for charging fees. She starts with offering upfront advice and an implementation process for a set fee. If her client finds it valuable and would like to carry on working with her, she then puts in place a monthly fee model. This includes access to an online portal and ongoing assistance as the client needs. Cara charges between \$3,800 and \$6,000 as an upfront fee, depending on the complexity of the client's needs. Her ongoing service fees are between \$380 - \$430 per month.

Cara claimed, "We are very clear with our clients about the difference between upfront advice and ongoing advice; and go so far as to tell them they won't know if they need ongoing advice until we go through the upfront advice. We're not here to pressure people."



When it comes to deciding what to charge, Cara shared a valuable tip: “If people are not often saying ‘no’ to your price, your fees are probably too low.”

Michael Khouri, Founder and Adviser at Better Financial Planning, also charges an upfront advice fee and an ongoing monthly fee, and he emphasises with his clients the difference between the two.

He says, “The ongoing fee is completely optional. I explain that the point is to use us because they want to, not because they feel they have to. 80% of the time when presented with an ongoing fee, it’s an obvious ‘yes’, especially when the plan is to help them holistically over a number of years.”

Michael felt advisers in general undervalue the fact that they exist to help clients with simple things.

“I’ve started to believe advisers under value themselves more than any other profession,” suggested Michael.

Recently he did some work on his fee structure, to ensure his business would be still around in 5 years to help families. Of 100 ongoing clients, 80 were more than happy to pay an increased fee in line

with industry changes. He was comfortable with this decision to change his fees as it affirmed his value-based approach to better financial planning.

Michael’s philosophy on charging fees is that the more you value your time, the more you’re respected for your knowledge and experience.

Ben Nielson, Founder and Adviser at Neilson & Co Wealth Management, currently charges between \$2,000 and \$6,000 upfront, and \$3,000 and \$5,000 per client per annum and generates a profit margin of between 42% and 48% because of the efficiencies of this business.

He can afford to offer advice at this price due to the level of work he has put into his templates, technology and automation. “Every single part of my process, I can have a client acknowledge it, and cover all of my compliance issues with automated emails.

“Our digital systems have allowed us to cut our overheads in almost half, enabling us to offer a lower ongoing fee to clients, whilst still maintaining our high service levels”, indicated Ben.

Ben’s best tip was to reach out to your database from time-to-time and remind them that you haven’t forgotten about them – maybe even invite them in for a free consult to touch base.

Michael’s philosophy on charging fees is that the more you value your time, the more you’re respected for your knowledge and experience.

5

Retention
Delivering
ongoing value



Value is more than just great financial advice

As our industry continues to go through a transformational shift, it's an understatement that your business needs to remain nimble and agile, whilst still delivering client value.

David Haintz, former Director of Shadforth Financial Group and Principal at Global Adviser Alpha, believes we need to focus on global best practices when thinking about value. "We need to look outside the sphere of financial services to customer centric businesses like Apple and Amazon."

David also suggested that value can often be in the intangibles of the service outside the SoA and the financials. Tangible value has a dollar impact, such as saving your clients money. While intangible value is the clients' feeling, which he thinks can sometimes matter more. He suggested it's that feeling your client has when they accomplish a big win after diligently planning and saving or when a client feels proud when they achieve their goals.

"In an industry where you can access great investment services from fund managers who can

invest client money for single digit basis points, it's more important than ever for advisers to stay focused on the intangibles," said David.

David is a big believer in the mantra 'know me, know my family, understand me, help me, simplify me, declutter me, and remove my anxiety'.

Adam Morse, MD Private Wealth at BlueRock, agreed. "Helping business owner clients connect the dots and simplify their world is a huge relief for them."

He achieves this via a strategy he calls "specialist-generalist" where he attempts to understand as many parts of his client's world as possible and then become the go-to or project manager for many parts of his client's complex life.

Despite the focus on financial KPIs, some of the most important goals were the emotional milestones he helped his clients achieve. One of his favourite examples was an extensive family goals discussion which included a 'do something with dad' with each of his four sons when turning age 13. This goal had the smallest financial commitment but the biggest 'why' fact by far, highlighting that the most important goals are generally those with the significant personal meaning.

"Many of the times it's low cost outcomes which mean the most to the client, and totally outshine an 8 or 10% return," Adam said.

Adam is still a firm believer that value can be articulated through structured targets or key performance indicators that are reviewed at regular intervals and reset every 12 months.

"We provide clients with 'Financial KPIs' as objectives to hit over a 12-month timeframe. An income objective. A superannuation balance objective. A net debt objective. We aim to be clear we have key numbers over the next 12 months to hit, and at a minimum have a 6-month point to check in."

Shane Light, the Head of Advice with The Hopkins Group, provides extra value to his clients via services that aren't necessarily included in their SoA. His firm offers podcasts, educational information, and webinars. These do add to the marketing costs, with his business employing two marketing people, but he believes "they're worth every cent" with the business recouping the cost in about 2½ years.

Is compliance and value incompatible?

David believes compliance needs to fit in with a client centric approach, rather than the other way around.

Shane agreed and weaves the intangible value that he provides into all aspects of his documentation and processes. This includes tailoring his documents so that they're easier to read and clear about what he offers. Incorporating his value into his documents is also a way for him to be both kept accountable and transparent about what he offers clients.

"We try to make it easier to read, so the client spends more time engaged with the outcomes of our service".

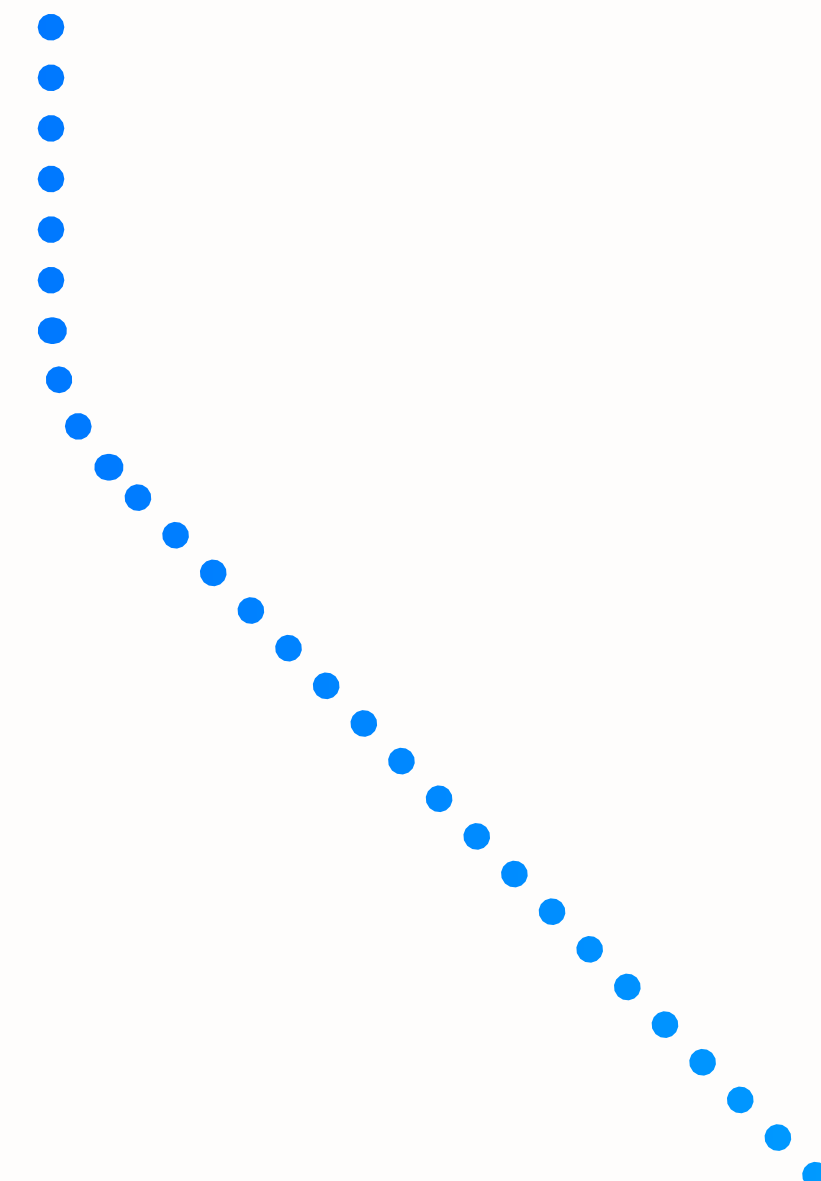


6

Referrals
Let your fans
promote your
brand



Clients referring you more clients



Referrals are a great way to generate new business. Today, you probably get much of your new clients from business or client referrals. In this article our XY on Tour presenters discuss new ideas for you to consider in building your referral network.

Claire MacKay, an Independent Financial Adviser and Non-Executive Director at Quantum Financial Services, works primarily with retirees and post-retirees. 90% of her clients come from word-of-mouth, with just 10% finding her through her online media presence.

While many advisers partner with accountants to generate referrals, this isn't part of Claire's strategy. She does work with accountants to get to know her clients better and leaves a good impression, but most of her referrals come directly from her clients due to the bond they forge through the relationship.

She believes that her clients are inherently interested in her ongoing success. "Everyone is always learning and getting better at what they do, so clients feel responsible because you've helped them. They feel invested in your development".

With that said, Claire has had some success with accountants. Her tip, approach accountants of your clients once you have started working with that client, so together you can make the client's life easy.

Alysia Laird, Founder and Adviser at Zebra Tailored Wealth, also receives about 90% of new business via referrals, half of which comes from existing clients. She also receives about 30% of her referrals from other organisations, 10% from people searching online reviews and about 10% from other financial planners.

She thinks timing is everything when trying to get a referral from an existing client, typically in the early months of the engagement.

"When our clients are into the first few months of our service, this is when we normally receive our referrals. When it's front of mind for the client, and their thought process is 'I should have done this a long time ago', they often refer a good friend in a similar situation. And it's great as they are usually my ideal client," Alysia pointed out.

Julie Bennett, the Principal at 64 Media, suggested to ask your clients to forward your number to anyone they know who might need your services. "Don't be shy, it just takes a bit of practice to ask for a referral."

Making every referral count

Working on strategic ongoing partnerships is another way to generate referrals. Alysia has a unique referral partnership that she's created with Verve Super. Verve Super is an ethical super fund for women and they've built a resource called the 'Super Squad' that includes a divorce lawyer, career coach and Alysia, who is their family-focused financial coach and insurance expert. Any member of the Verve community can book in for a free 30-minute session with Alysia.

"My job here is to help, so whether someone is an ideal client or not, I'll still spend 30 minutes with any Verve member to help them become more empowered and gather the information they feel they need to plan for a better future. Sometimes these referrals end up as clients if they want to receive personal advice, but there are also many times when the 30 minute chat is helpful enough for them," said Alysia.

Likewise, Claire makes sure there is a concerted effort that each referred client, even if they are not her ideal clients, has a great experience with her. If a client isn't a great fit, she will go back to the person who originally made the referral, thank them, and explain why she has not taken on the client.



Recommended reading



2021 Netwealth AdviceTech Report

Discover how successful AdviceTech firms are using technology in ways that bring tangible benefits to themselves and their clients.

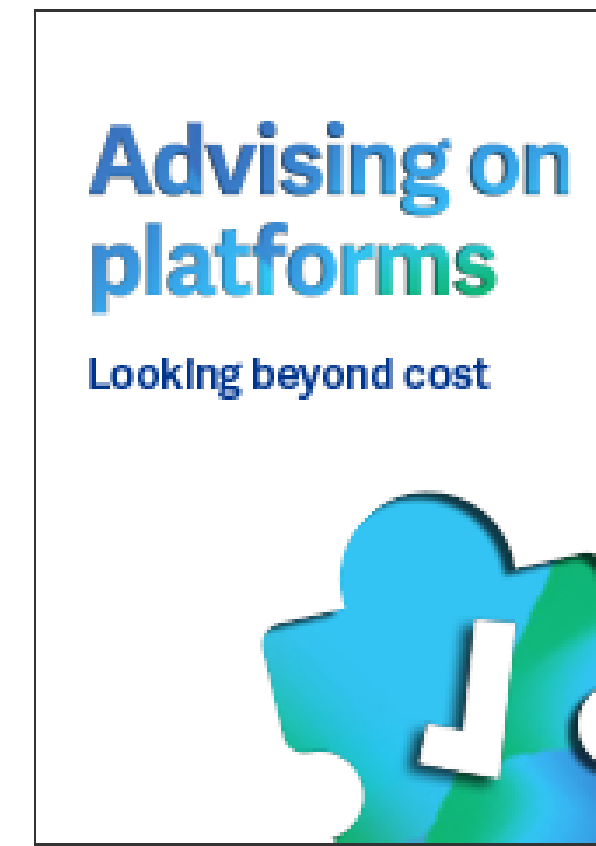
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This report is a playbook for financial advisers on how to attract, manage and retain the digital savvy Emerging Affluent.

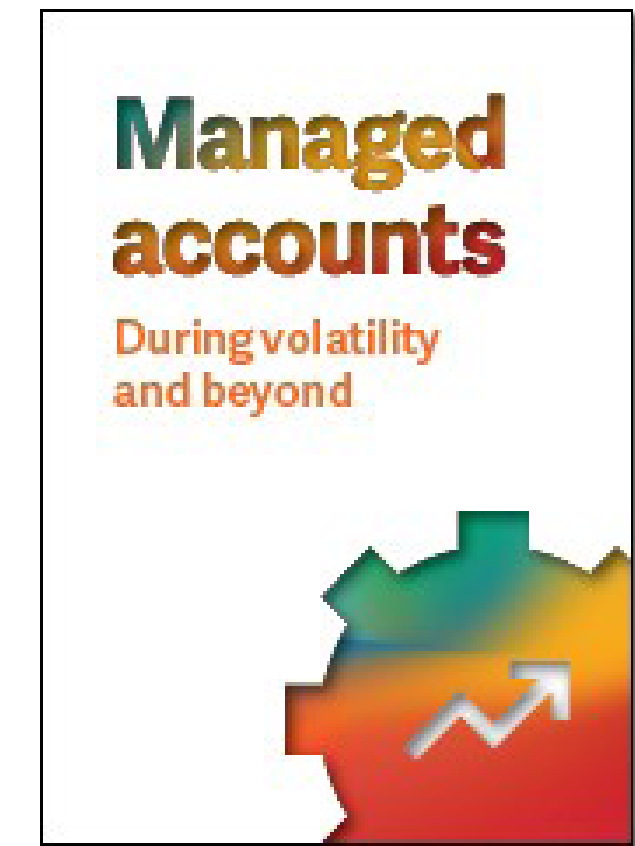
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Unpack the legal framework that applies to you when it comes to best-interest advice on platforms.

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