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SEMINAR SELLING - CULTIVATING THE AFFLUENT  
(This article first appeared in Financial Advisor magazine.)

These days, it seems everyone is clamoring for the high-net-worth account. But capturing and retaining assets from this highly sought-after audience is becoming more difficult. As competition for their business climbs, it becomes more important than ever to differentiate your marketing strategies. And the time is right: A June 2002 U.S. Trust survey of affluent Americans shows 85% of respondents have seen their investment portfolios decline in value since March 2000. On average, their portfolios have decreased in value by 17%." While the bear market continues to have a major effect on their lives," said Maribeth S. Rahe, president of U.S. Trust, "They have heightened concerns, but they are staying the course."

Many affluent investors are searching for advice on where they can place their assets so they have more control, custom solutions and better service. Separately managed account (SMAs) are the answer for many of them. SMAs themselves can differentiate you from your competitors. But you can use subtle, nontraditional ways to build trust with clients so they'll be even more likely to consider your advice about SMAs-and other matters as well. One way to start the process is to make a strong, favorable impression on clients and prospects in a nonselling, enjoyable environment.

It's time to think creatively. How do the wealthy spend their time? What are their special interests? Citigroup Private Bank discovered one of the answers-art. The firm founded an art advisory service in the late '70s and provides advice on art investing and financing to its affluent investors. The art-specialist advisors collaborate with investors to design and form their art collections. Most independent advisors don't have the time and resources that Citigroup Private Bank has. But you can use a similar-but simpler-technique with your clients and prospects: hold an art appreciation night.

Most likely, many of your clients appreciate art and will want to attend an exclusive event for their benefit. Meanwhile you will accomplish seven things for your practice:

1. Extend your appreciation to current clients for their business
2. Differentiate yourself from other advisors.
3. Provide a unique social event that will result in more business.
4. Introduce you to your clients' affluent friends (since they are encouraged to bring a guest).
5. Better establish you in the art community.
6. Provide a perfect opportunity to host more events that clients can anticipate.
7. Create a public relations opportunity for your firm.

Keep in mind, the event is being organized as a business development strategy for you to capture and retain more SMA assets. But it's done in a fashion that is non-threatening, informal and fun.

## **Where To Start**

To begin, you must first decide which type of event you want to. You might choose to host an evening at a local art gallery. Work out the details with the gallery owner to hold an exclusive (closed) showing on a Friday or Saturday evening for a guaranteed number of guests. Invite your best clients, their spouses and their guests. Their guests, of course, will be your prospective clients. Depending on the size of the gallery, and your budget, you might want to keep the number of invitees to 30 or so. Another idea is to host a private art auction. Invite your guests, and hire an auctioneer (who is paid a percentage of the auction profits). The gallery can help you line up the art to be auctioned. Of course, it also will receive a commission-the incentive to work with you

After you decide upon the type of event, go through your book and jot down the clients you want to invite. In tallying the number of attendees, be sure to add two guests for each client. Then go through your prospect list and choose those you feel would also enjoy the event.

**Tip:** Pick a date that will coincide with existing clients' quarterly performance review. That way, you will have a reason to discuss any changes in the portfolio, rebalancing or lifestyle changes AND talk about the upcoming event. For potential clients, consider delivering your invitation personally. They may be more likely to attend.

Following are some steps to help you begin:

- Choose the type of event you will hold—an auction, art show, meet-the-artist night, etc.
- Pick the location (gallery, auction house or museum).
- Choose the day and time.
- Determine how many clients you will invite
- Select which prospects you would like to attend.
- Create your invitation and print it. (Ask the gallery dealer for a photo of art for the cover.)
- Mail or deliver your invitation with a mandatory RSVP.
- Follow up with a personal phone call.
- Emphasize the fact that this is an “exclusive” show.

### **During The Event**

You will need to arrive an hour early so you can check on any last-minute and place your business cards in conspicuous spots around the room. Make sure you greet guests personally and meet their friends. If you are having a private gallery showing, be sure to introduce the gallery owner to your clients. Make the rounds, talking and admiring the art. If the artists are in attendance, be sure to introduce them as well. You should provide your guests with hors d'oeuvres and beverages (not necessarily alcoholic) or even a nice catered meal, depending on your budget

To ensure they some quality time at the event, invite a professional from your local university to talk about art styles, using the gallery art as examples. Or you can ask several artists to talk about their style and explain certain pieces. Another idea would be to have an art appraiser talk about the investment value of art. Keep in mind, you won't want to initiate business talk; you can do that after the event. If someone should corner you to talk about investments or financial planning, make an appointment to talk with him or her later. This is a client appreciation night, not an investment night. The business will follow if you make an impression with your event. It's subtle-but powerful.

### **After The Event**

A few days after, you will want to personally call each client to thank them for attending and to gauge the success of your event. This would also be a good time to make an appointment to talk about portfolio reviews and subsequent rebalancing if necessary. Capturing additional assets at this time will be easier. Call your clients' guests and offer to do a free portfolio review or investment policy review for them when they are ready. Let everyone know about your next planned event while you are on the phone with them, then follow up with a reminder card along with the new issue of your newsletter (for clients), or your marketing package (for referrals). Be sure to thank your clients for bringing guests and ask if they will recommend you for your professional services and to discuss SMAs.

I can't emphasis enough how effective these special events are for business development. But you don't have to limit yourself to art appreciation nights. For example, you could purchase a private block of seats at your local music center and invite those special clients to an evening at the symphony or the opera. For a less expensive route, you might consider reserving a private room for a cocktail hour (wine and cheese) at your city museum for the opening night of a special traveling exhibit. A nice gesture would be to make a patron donation on behalf of your clients. These events help you learn a lot about your clients and prospects and, in turn, your clients and prospects will have a newfound appreciation for your value as an advisor and a friend. There's an art to capturing and retaining assets-cultivating it can be fun and profitable.

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—Lyn Fisher & Sydney LeBlanc, co-directors of Fisher LeBlanc Group, a PR and Marketing company specializing in the financial services industry.