

Generic skills

Reaching out to all your clients

BY CLAUDIA PRITCHITT

A market downturn is the time when clients most want information from their financial planner, and need to feel that their planner is supporting them. Increased communication becomes a major tool in the battle to maintain a client's loyalty.

Many planning groups suffer from poor client communication, with communication being responsive rather than proactive. A lack of contact from their financial planner is a common complaint from clients. Simply offering clients an annual review meeting (if the client wants to arrange it) is hardly enough to retain loyalty.

While there are a number of communication activities that should be considered, newsletters are one of the most effective, and have the additional benefit of not requiring a great deal of involvement by individual planners. However, having a newsletter just for the sake of it is likely to be more counter-productive than helpful.

Newsletters need to be relevant to the reader and add to the business's image of service and advice. Newsletters should provide clients with information that is useful to them and also improves their financial literacy – for example, how to make sense of the current market situation and the types of action that could be considered.

Too many newsletters fail to provide this type of support. Instead, they contain information that is predominantly about the planning group and what it wants clients to know about itself, rather than being focused on what clients want, or need, to know. Producing a newsletter that is not just another marketing tool or a vehicle for propaganda, but something that builds relationships and promotes the collective knowledge and expertise of the business seems to be difficult for many organisations.

Sourcing content

Many financial planning firms have difficulty identifying useful and relevant stories to include in client newsletters. There are different ways of sourcing useful stories, including from outside the firm. For example, look at the Financial Planning Association (FPA) website to see if there is suitable material that can be adapted, or ask fund managers for market information or information about



different investment styles (making sure the information sought is about issues rather than products).

Another technique to assist in content creation is forming an editorial committee. The editorial committee doesn't need to meet too often, and can consist of only one or two people. Nor should the committee necessarily be made up of just the senior people in the business – for example, involving paraplanners in this process can add a useful dimension.

Use by-lined articles wherever possible, or quotations from experts within the firm, to promote the expertise of the business and its people. This also helps to put a human face to the organisation, and prevents the newsletter from lacking personality.

Decide in advance what your stance is on the copyright of your own work. It can be advantageous to allow others – such as the media – to reproduce your stories, as long as it is attributed to your planners. Be aware that you can't use other people's articles without first getting their permission.

Know your market

Making sure your readers can relate to your newsletter is critical if it is to be a useful tool. Ask yourself some questions to identify your main audience. For example, what age group are the majority of your clients in? Are they going to be interested in articles on wealth accumulation, pre-retirement plans, or retirement living?

Your newsletter should add to the positioning of your firm or group, show authority and knowledge, and ideally promote your team of specialists. So do show the expertise of your firm and its people, but do it in a way that readers can relate to.

For example, if the majority of your clients are retirees, the chances are that a good many of them are

also grandparents, so articles about education plans for grandchildren, bequests, charitable funds, estate planning and the like will be of interest to them.

Be open-minded about articles

Always think in terms of what topics are interesting to clients, and not what is interesting to those within the business. Too much propaganda must be avoided. Articles must discuss and consider financial planning issues, rather than products.

The best source of material is to ask planners within the business to note down commonly asked questions from clients – these are exactly the right topics to cover in the newsletter. This may be particularly useful in a market downturn, when clients will have many questions. Keep in mind that a topic or story that may seem basic or obvious to you is not always basic for the client.

Stories need not be confined to personal finance issues, but do be careful in broadening the base. For example, travel or car topics might be of interest to some, but perhaps not as many as you think. Keep in mind that the travel and motor sections of the newspapers will probably cover this better than you can.

Case studies showing how clients use their retirement savings and the lifestyle they enjoy could be a better read. While the personal finance sections might carry similar stories, they are even more authoritative coming from you.

The occasional technical article is good, but technical articles should not overwhelm the publication as they make it boring. Clients don't necessarily want to know all the technical stuff themselves, but it's good for them to be reminded that you do.

Plain English

The language used in a newsletter is important. Some people are natural writers and their articles are very readable. However, many executives and professionals do not fall into this category and unfortunately don't always realise it. They believe that use of jargon and 'management speak' makes their copy sound important, and reflects well on them. It's necessary to get this simplified so it is interesting, relevant, and understandable to the reader.

Getting your message out there

Selecting the vehicle to suit the audience is important. In a perfect communications world there is a

place for both – printed newsletters, containing what would be regarded as more feature-type articles and reflecting substance, and an electronic version giving more instant news and reflecting responsiveness.

Having set up the channel, it should be regarded as an ongoing communication avenue that can be used for other communications outside the distribution schedule of the newsletter such as critical and topical information in a market downturn.

In the same way, the newsletter mailing can be used to include other inserts. Promotional material about the firm (rather than including it as a newsletter article) or invitations to seminars (the content of which could also be an article in the newsletter) can easily be included with the mailing.

Publishing options

In recent years the internet has developed as an alternative means of delivering newsletters, and there are some excellent examples of e-bulletins and magazines. Distribution costs for online newsletters are pretty much non-existent, providing a major advantage over the printed version, which incurs print production as well as mail expenses.

However, before dismissing print newsletter in favour of e-bulletins because of cost or expediency, businesses should ask themselves about their client base. For example, if clients are mainly aged 50 and above, they are more likely to be comfortable receiving a printed newsletter in the mail than they are with receiving one over the internet. To them, printed material may carry more authority, and is probably easier to read.

Another benefit of printed newsletters is that they hang around for much longer, and are seen by more people, whereas the same material arriving by email is not as likely to be read completely, and may be deleted before it is even opened.

While not exactly a newsletter, blogs can be a very useful communication technique that could be considered as a way of getting across useful, timely and relevant information to clients.

Walk before you run

Trying to introduce the ultimate newsletter from day one may not be the best way to go, and indeed may well guarantee disaster. Taking the long-term view and building up towards the ideal newsletter could be the way to guarantee success.

This not only covers the size of the newsletter and the number of issues, but it could also cover the style. Start with a simple format, perhaps one that can be produced internally – there are a number of easy-to-use computer programs readily available that

enthusiastic and creative support staff can use. Production qualities can then be enhanced over time.

A four-page quarterly newsletter that is distributed on time is much more effective than an eight-page glossy newsletter that is promised bi-monthly but only comes out four or five times a year.

It is much easier to build up and expand the frequency or size of a newsletter than it is to maintain an over-ambitious approach and schedule.

Challenges

When creating a client newsletter you may be challenged with difficulties such as a lack of content, or simply lack of management commitment and discipline. Think about strategies that will help you overcome these challenges, and build them into your process.

Outsourcing certain activities may be necessary for some businesses. External advice can assist in a number of critical areas, including writing skills, reducing internal distractions, and meeting deadlines.

For many organisations, outsourcing is the only practical way to go, but if you're not certain, consider getting help to set it up and produce the first issue, and then gradually take over control, according to capabilities.

While outsourcing article development and production can be a useful technique, it is not essential, and very good newsletters can be produced internally, as long as there is someone who wants to take responsibility for the project and is enthusiastic about communication.

For the right person within the organisation, managing the client newsletter may be an enjoyable and rewarding task.

Maintain deadlines and mailing lists

This is a cardinal rule of newsletters. Too many newsletters come out if and when an organisation

gets around to it. A quarterly newsletter should be distributed every quarter, at the same time. This reflects well on a firm, showing it to be reliable and delivering on its promise. Irregular and erratic newsletters lose their authority, and usually fall by the wayside altogether.

A newsletter is of no benefit unless it gets into the hands of clients. Have a disciplined system that updates the mailing list for every issue of the newsletter.

Broaden distribution

Newsletters need not only go to existing clients. Continually add to the mailing list with every contact made with a prospective client. Also add other 'friends' of the firm, as well as journalists and potential referrers.

In this way, you can communicate with the breadth of your client base and maintain good relationships, while also creating opportunities to grow your practice, even in a market downturn.

On the front foot

One advantage of having a regular communication channel is that it can be used, if necessary, to address any issues. While it can be tempting to try to ignore problems or bad news, a good rule of thumb is that if people are going to find out anyway, it's best to be on the front foot rather than be seen running for cover.

If there are concerns amongst clients about market volatility, proactively communicating with them will help them feel comfortable that they have chosen a planner who is on the ball, and knows what is happening in the market and how to deal with it. ♣

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1. In times of market volatility, client newsletters can be used as a forum to combat client concerns.

- a) True
- b) False

2. Client newsletters should include:

- a) Technical articles
- b) Financial education
- c) Company information
- d) Articles of general interest
- e) A combination of the above

3. What is the best way of using a client newsletter to generate leads?

- a) Include information that you want others to know about the business
- b) Add the names of people met at events to the mailing list
- c) Ensure the articles sounds important by using jargon
- d) Always cover positive, feel-good stories that will attract clients
- e) All of the above

4. What are good sources for potential content for client newsletters?

- a) FPA website
- b) Market updates from fund managers
- c) Common questions asked by clients, compiled by advisers in the group
- d) All of the above

5. Once you have established this communication channel with your clients, other types of information can be inserted in the distribution such as invitations to seminars; reader surveys; or material such as financial year calendars or tax tables.

- a) True
- b) False