



Providing advice to clients is more complicated than it was 15, 10 or even 5 years ago. Many reasons:

- clients leading more complicated lives: extended families, divorced couples, step kids, parents needing support and so on
- more product choices for clients
- more players competing for your clients' business
- the volume of online information - what is accurate and reliable, what isn't

Makes your role more critical than ever before – also more difficult.

Today I am going to share with you a series of strategies to make the advice you provide more:

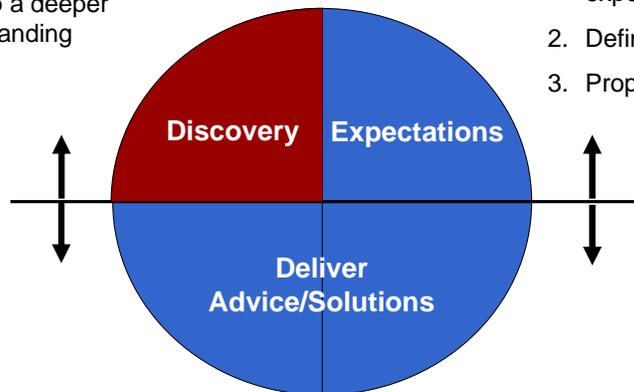
relevant, compelling and valuable to your clients

The main theme here will be about taking the client relationship to a deeper level - providing value that other advisors don't

### Our focus for today

1. Ensure fit
2. Develop a deeper understanding

1. Understand their expectations
2. Define approach
3. Propose process



This diagram shows the sales process as a circle with 2 main parts.

Top half: in the discovery or fact-finding process you get to know the client by asking a series of questions and establishing their and your expectations of the relationship

Bottom half: in the bottom half of the sales cycle shown here you are presenting solutions and delivering advice to the client.

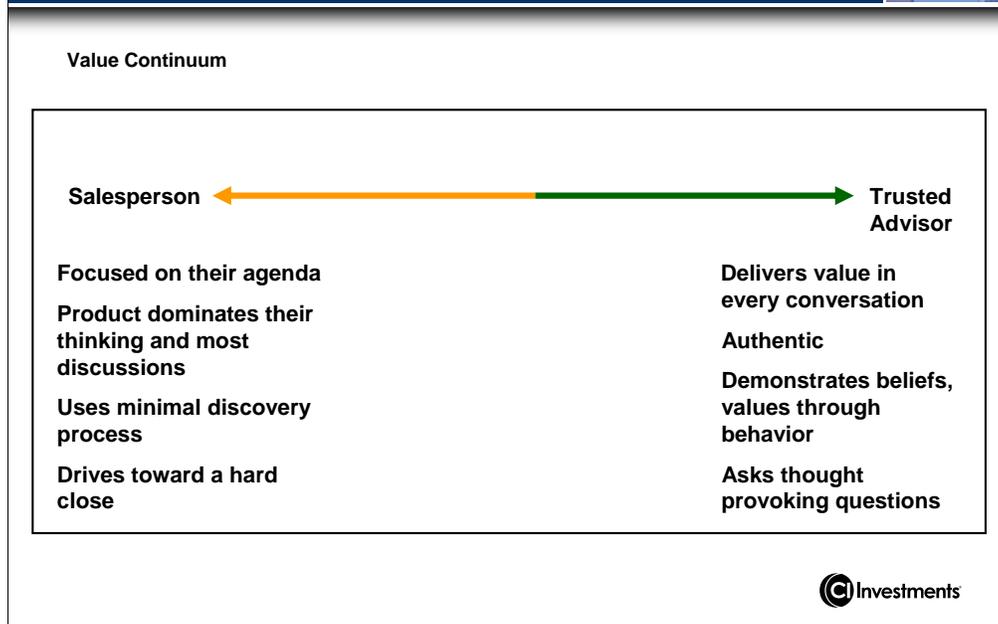
My focus today will be the top half of the sales process.

Specifically, what I will explore are a number of different strategies you can use for conducting a client discovery meeting. These can be used with new prospects or existing clients in a **rediscovery meeting**.

These strategies are about:

- **Deeper** level of discovery, light years beyond KYC
- **Engaging** the client differently
- **Differentiating** yourself by what you do with clients

## Discovery strategies



Before I get into the actual discovery strategies that I am going to share with you today, I want to talk about the value continuum.

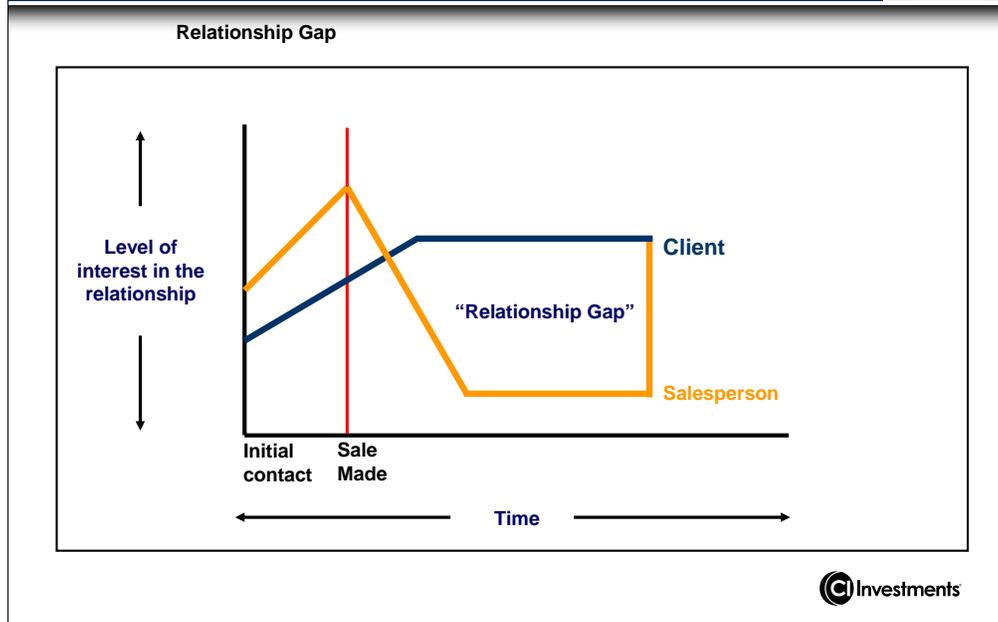
(Explain the two extremes on the slide.)

Everyone talks about having a clear value proposition and crafting a value statement so that clients will know what we can do for them.

I don't think it is possible to capture this in one sentence and in a way that highlights how the points of difference are really important to the client.

To be able to provide tangible value to the client you have to understand what they need and want at a deep and profound level by using discovery strategies that uncover that type of information.

## Discovery strategies

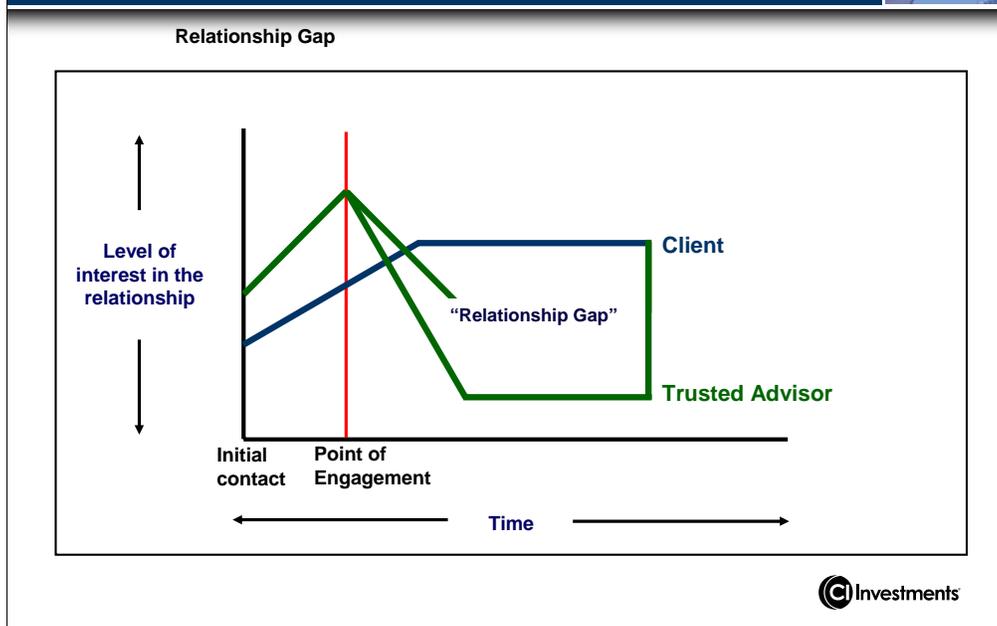


This diagram shows the typical relationship gap, that exists between a client and a salesperson from the point of initial contact to after a sale is made.

As you can see here once the sale is made the client and the salesperson actually switch positions. The client's level of interest in the relationship increases after the sale is made whereas the salesperson's interest drops off sharply.

This creates a significant "relationship gap". The salesperson doesn't know what the client values and needs from the relationship and has probably moved onto their next prospect.

## Discovery strategies



Whereas here in this diagram, we see the relationship gap between the trusted advisor and the client shrinks from the point of engagement because what the advisor is providing matches what the client values and needs on an ongoing basis.

This comes back to the fact that the relationship deepens as a result of the advisors actions and the relationship gap narrows.

Let's take a look at a series of strategies that will add depth to your client discovery process.



For this topic we have created our **PREP** Discovery model.

**P:**

Who are all the **people and relationships** that are important to this client ? Both personal and professional.

**R:**

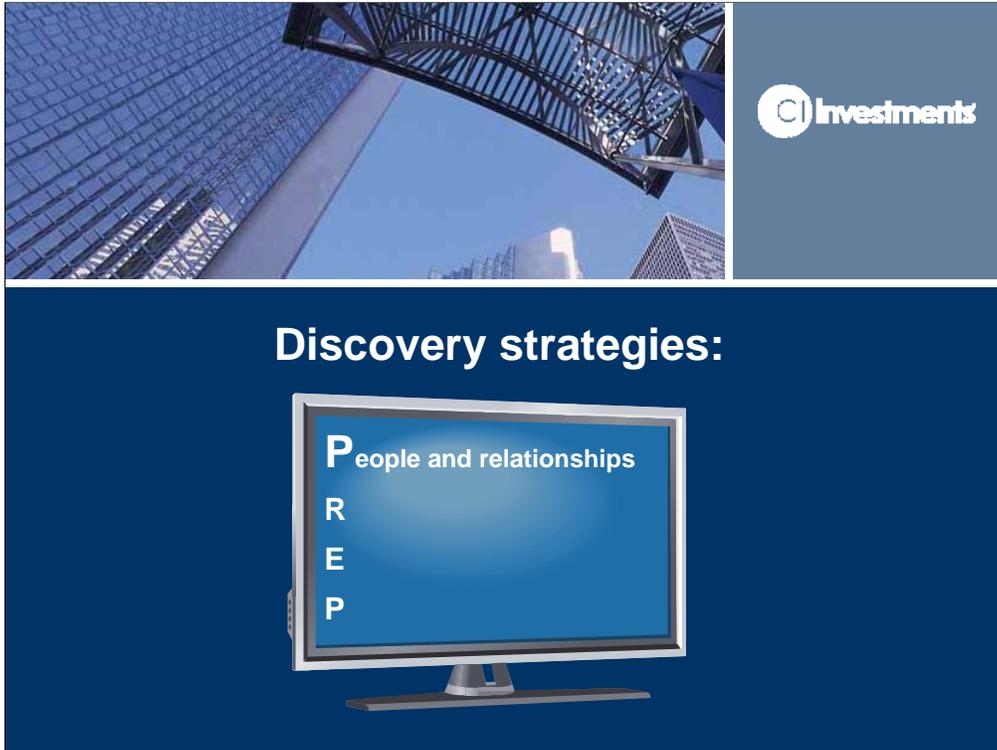
What are the **risks** in their life that worry them? Not just their investment risk profile but taking a broader interpretation of risk - going beyond just their investments to the risks in other parts of their life.

**E:**

What are the **emotions and beliefs** that drive their behavior when it comes to financial matters?

**P:**

Finally what **priorities** are most important to them, or what I call the “things that matter” most to them?



The first element of the PREP discovery model we'll explore is **P for the people and relationships** that are important to the client.

Here I am talking about going beyond the usual spouse and kids to the extended network of relationships around the client including their business relationships.

Let's take a look at how, during a meeting with the client, you could explore the people and relationships in their lives.

## People and Relationships

### Individual



### Family



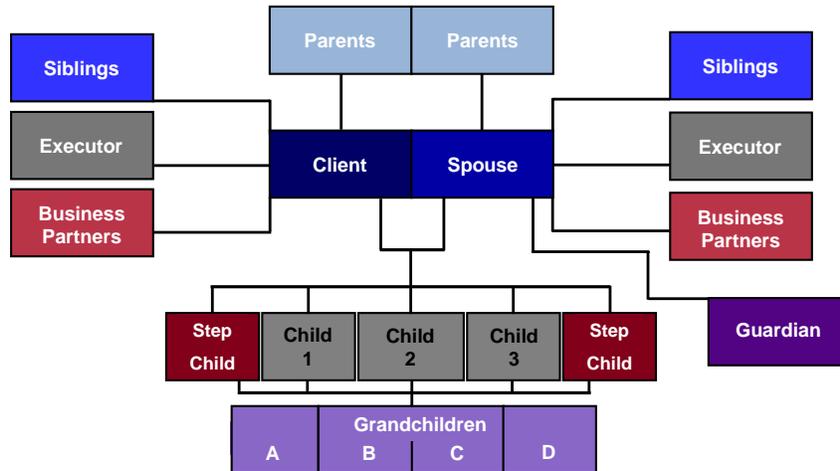
When we think about people and relationships, we have to recognize it is no longer just about the client as an individual. Family demographics have shifted the focus to the extended family due to things like parents living longer and divorces. Therefore, we have to look at the family demographics within the group of individuals surrounding the client.

Financial decisions are now family decisions. How will the plan you propose impact the family experience and the family finances?

Delete: So the ages of the members in that group have to be factored into the overall strategy that you propose to the client.

## People and relationships

Chart the people and relationships that matter



Investments

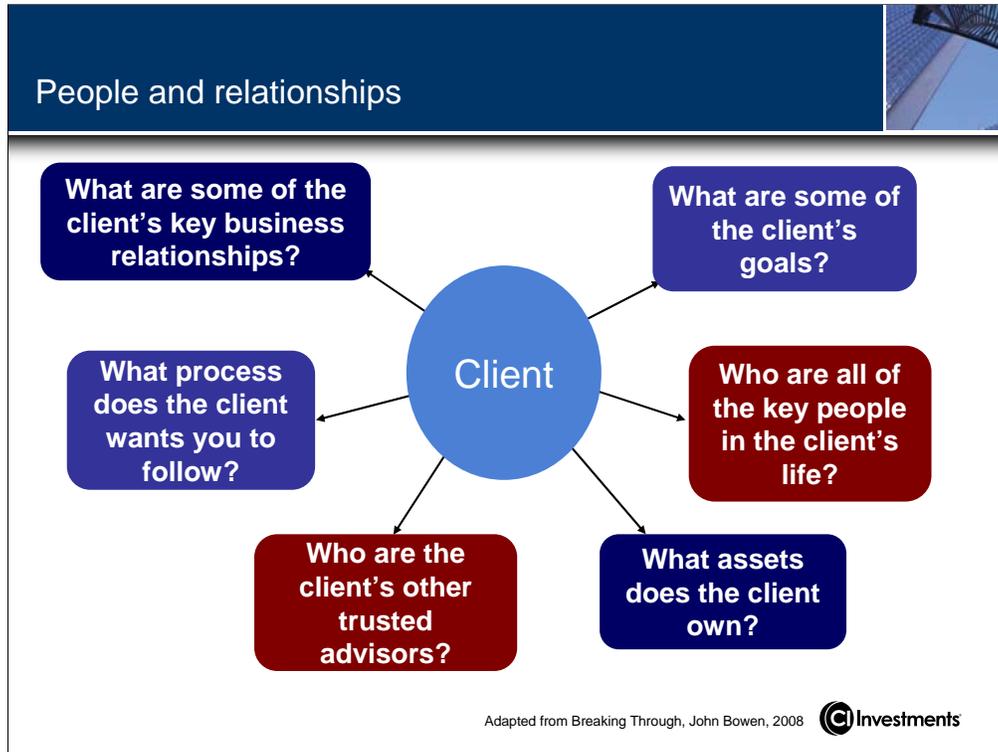
This is an adaptation of a note taking process called Mindmapping that was popularized in the 1960s by a British psychology author called Tony Buzan.

In Mindmapping, ideas and their relationships are visually charted.

In a discovery meeting with the client you can use this concept to chart your client's family members and all the relationships that matter to them.

Value of this approach:

- 1) You as my advisor understand my life - shows the interconnectedness
- 2) Can be used to explore the issues with client's clan – i.e. what are the issues connected to the people on the chart
- 3) Will uncover potential for referrals



The questions you ask in your discovery process need to address many different areas beyond the assets the client holds to take into all the **things that matter to them**.

It ensures you have a 360 degree view of the client and the things that matter to them. Is this the same as 3D?

Explain some of the categories:

**Goals:**

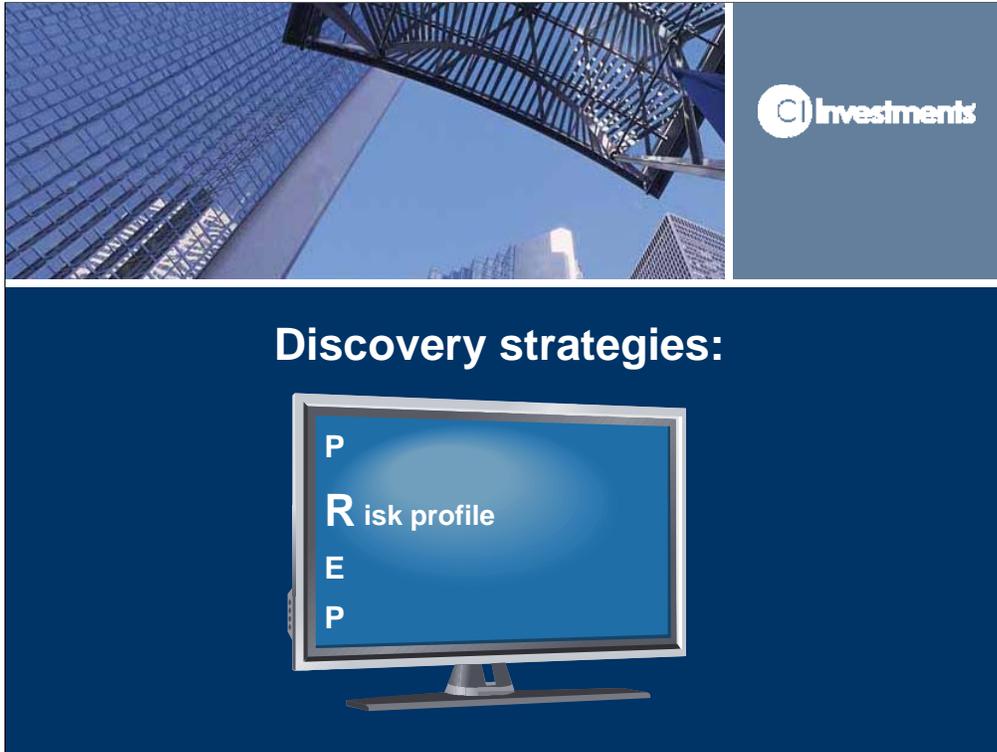
**Assets:** not just those in Canada

**Advisors:** who are their important advisors, what is their opinion of them

**Relationships:** past and present , use the Mindmap process to explore their relationships

**Process:** how do they want to work with you, what level of contact do they want, what medium

**Business:** What are their key business relationships?



Now that we've looked at:

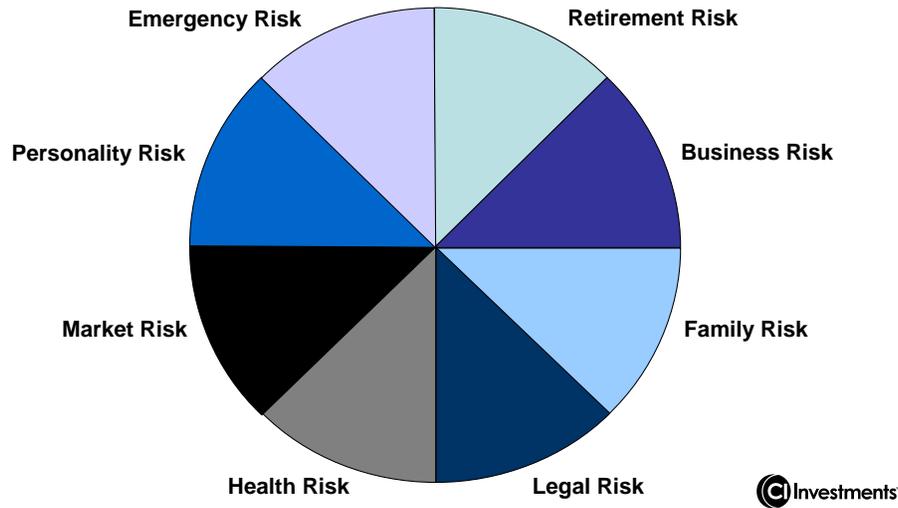
the **people and relationships** in our PREP model

let's move on to the next element

**R for risk profile:**

- I'll show the eight aspects of risk that make up a client profile
- a way to explore the probability and impact of life events on their lives

**Crouching issues – Hidden risk**



With most of the advisors I work with the types of risks they discuss with clients are focused primarily around market risk and the client’s risk tolerance.

But there are other risks a complete discovery process should uncover beyond those two.

For example, a client with a small emergency fund could be an **emergency risk** because there are no funds to support an unplanned emergency.

**Retirement risk** as a result of a market downturn shortly before a client’s retirement could have a significant impact on their retirement income.

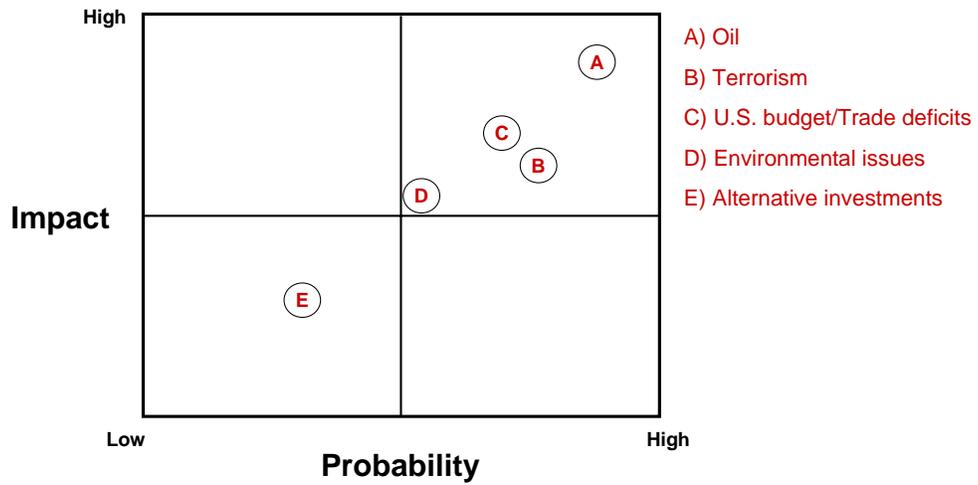
A client with a business has a large US competitor moving into his Canadian market which may have a large impact on sales profits and create a **business risk**.

A family member with extravagant spending habits... Is a **family risk**.

A **legal risk** might result from an estate dispute. The number of estate litigation cases in Canada have been increasing every year.

And finally, a **health risk**, such as a family member in poor health can dramatically impact income levels if they have to cease working to take care of them even temporarily or if a parent needs long term care.

Goldman Sachs' Top Financial Risks 2005



Top 10 Financial Risks to the Global Economy- Conference Proceedings 2005, Global Market Institute, Goldman Sachs



This is a risk scatter chart used by Portfolio Managers to plot the probability and impact of global events or factors on their investment holdings.

We can adapt this concept and create a discovery exercise using major events that typically occur in a client's life instead of the ones shown here.

I'll show you what I mean.

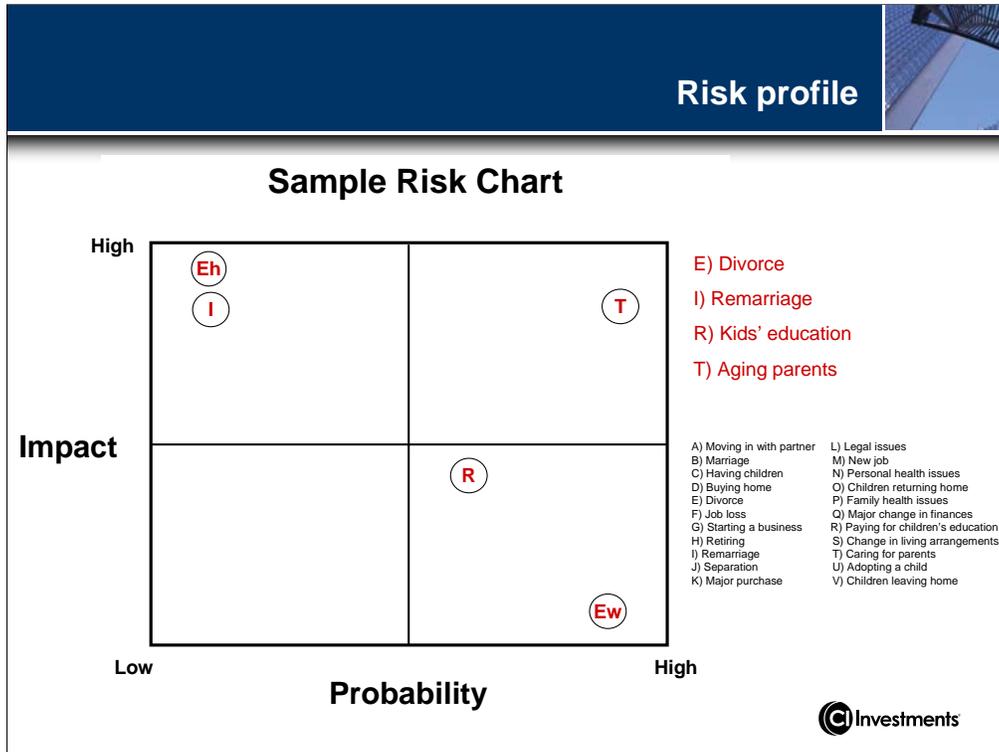
### List of major life events

- |                           |                                    |
|---------------------------|------------------------------------|
| A) Moving in with partner | M) Legal issues                    |
| B) Marriage               | N) New job                         |
| C) Having children        | O) Personal health issues          |
| D) Buying home            | P) Children returning home         |
| E) Divorce                | Q) Family health issues            |
| F) Job loss               | R) Major change in finances        |
| G) Starting a business    | S) Paying for children's education |
| H) Retiring               | T) Change in living arrangements   |
| I) Remarriage             | U) Caring for parents              |
| J) Separation             | V) Adopting a child                |
| K) Major purchase         | W) Children leaving home           |
| L) Winning the lottery    | X) Inheritance                     |



Here is a list of typical major life events. There are other events you could add, but these are the most common. Here are some stats on the probability of these events happening.

- A) In [Canada](#), 18.0% of couples were cohabiting as of 2001 (29.8.% in Quebec, and 11.7% in the other provinces).  
[Cohabitation in the United States](#) became common in the late 20th century. As of 2005, 4.85 million unmarried couples were currently living together, and as of 2002, about half of all women aged 15 to 44 had lived unmarried with a partner. Seven states still have anti-cohabitation laws on the books, but they are almost never enforced and are now believed to be unconstitutional since the legal decision [Lawrence v. Texas](#) in 2003.
  - B) US stats: Number of marriages: 2,077,000 Marriage rate: 6.8 per 1,000 total population
  - C) More than 4 million babies born in USA each year
  - D) On one hand RBC's poll found that 43 percent of younger Canadians (18-34) are looking to buy a home in the next two years (compared to a national average of 29 percent) but on the other, over half of that same demographic (55 percent) think it wise to wait until next year to actually do the deed.
  - E) US Stats Divorce rate: 3.4 per 1,000 population (44 reporting States and D.C.)
  - F) 9% unemployment rate in US 7.6% in CDN
  - G) 145,000 new businesses every year. 137,000 each year declare bankruptcy
  - I) In the United States, approximately 75 percent of divorced people legally remarry, and they usually do so less than four years after divorce. Nearly one-third, however, remarry within a year after their divorce is legal.
  - L) Odds of winning 6/49 – 1 in 14 million. Better chance of hitting a single ant dropped on a football field while blindfolded and being armed with a pin.
  - M) an estimated 1 of every 15 persons (6.6%) will serve time in a prison during their lifetime.
  - S) Only 9% say they will pay for child's education using a college savings plan
  - U) 20% in US care for parents
- Let's see how some of these events would look on a Risk Chart.



I've adapted the concept of the portfolio manager's risk scatter chart and applied it to a sample client situation using the same measurements of impact and probability.

For our client's risk chart I have completed it using some of the major life events from the previous slide. The **Dh** stands for the husband's view of the likelihood and impact of divorce on him and the **Dw** represents the wife's view of the probability and impact of a divorce on her.

Obviously they have very different perspectives on this life event.

I have also included saving for the kids' education (the letter R) in the high probability and low impact quadrant and aging parents (the letter T) in the high probability and high impact quadrant .

This chart helps clients to uncover plans and viewpoints that they may not have been considered without a thorough discovery. It is also effective in terms helping clients see the big picture while drawing attention to the **impact of life events on them**.

**Retirement Risk:  
Probability an Average 65 year-old Canadian Will Live to Age...**

Age	Male	Female	Joint
70	89.13%	93.94%	99.34%
75	73.99%	84.90%	96.07%
80	54.76%	71.42%	87.07%
85	33.44%	52.61%	68.46%
90	15.14%	30.60%	41.11%
95	4.34%	12.03%	15.85%

Source: Moshe Milevsky, The IFID Centre



This chart shows the probability of individuals living to a certain age. It can be used with clients to emphasize the importance of proper wealth planning to support a longer life. Additionally, this chart reinforces the point that decisions are family decisions because couples have a 41% chance of living to 90 compared to 31% for the individual female and 15% for the individual male.

Retirement Risk - Longevity

- Averages
- Make it personal
- [www.livingto100.com](http://www.livingto100.com)

LIVING TO  
**93**



The chart I showed you a moment ago indicated that there was a 41.11% probability that one of two people in a couple who are 65 years old today are going to live to age 90. Use this information to make it personal for a client. Ask them “what if you knew you would be living to be 90 or more”. That would be great news right. Sure, but are they prepared to support themselves and their loved ones for that longer duration of time. Have a discussion with your clients around their longevity and what they think that might be.

There are some websites to help you. One is this one here: [www.livingto100.com](http://www.livingto100.com) it's a study based on work done by the Harvard Medical School. It's a website you go on, you put in your name and a zip code and you answer 60-65 questions about yourself, your history, your parents, your health, your occupation, how you handle stress. You answer those questions and at the end out pops a number which is an actuarial estimate of your life expectancy.



## Discovery strategies:



The next strategy we'll explore in our PREP discovery model is:

### **E stands for emotions and beliefs**

Emotions and beliefs impact everything we do and every decision we make.

Studies by psychologists show that we make decisions emotionally and then look for ways to justify those decisions with logic.

As an advisor the more you understand the emotions and beliefs that drive a client's behaviors, the easier it will be to provide appropriate advice and support.

## Emotions and beliefs



This discovery strategy gives you an all-encompassing view of the client and what drives their thinking, their behaviour, their values, their fears and so on - all the things that matter to them.

You will develop a far deeper understanding of the client by asking Q's on these topics.

(Explain each of the topics on the slide.)

**Values** are most important because they:

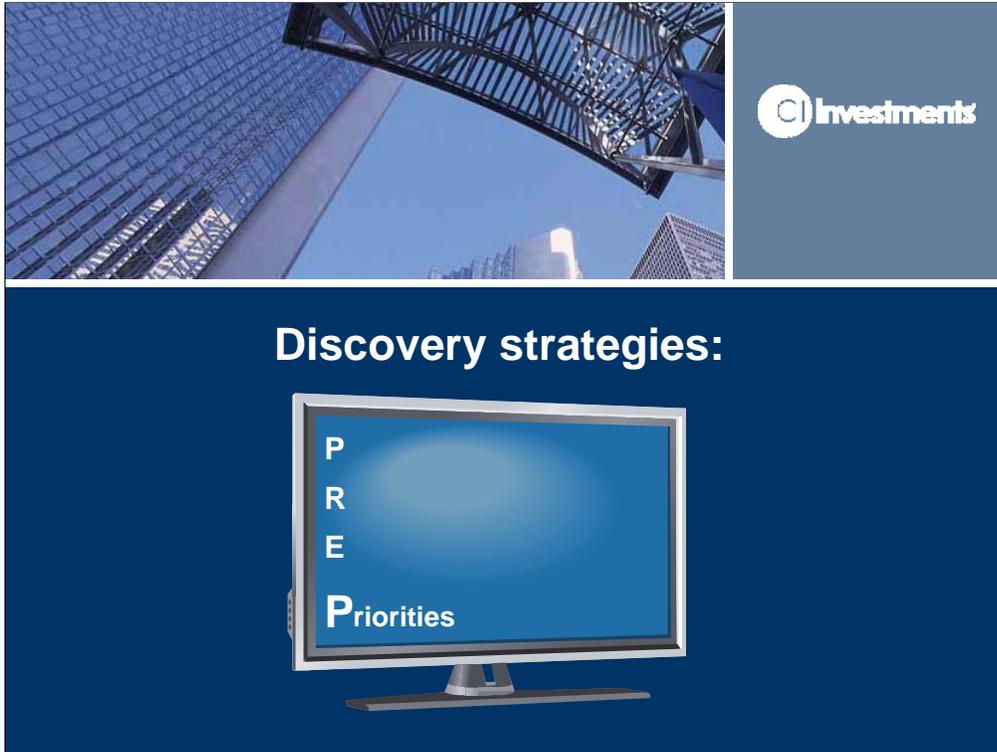
- are the core motivations for everything we do. They have a profound impact on every important decision we make.
- will create a powerful advisor-client bond, as you help them think through some of the most important issues they face.

### Examples:

Life Experience Question: what was one your most “life defining moments” and its impact on your life?

Values: what is your earliest recollection when you first realized the value of money?

Upbringing: Tell me a little about your parents attitude toward money and how that has affected you?



Now that we looked at:

the **Emotions and Beliefs** in our PREP model

let's move onto the next element in our discovery model

### **P for priorities**

What are the priorities in your client's world ?

And to do that we'll look at their priorities from two different perspectives:

- what will their family priorities be in the future and
- what financial planning priorities do they want you to address now

Life comes at us...fast

Family Members & Their Ages	+5 Years	10 Years	15 Years	20 Years	25 Years	30 Years
Doug 53			Retirement			
Tammy 41					Retirement	
Kaitlin 12	Education funding					
Alexandra 12				Home financing		Inheritance
Mother 83		Long-term care				
In-Laws 70's				Long-term care		

Source: John D. Gresham - [http://greshamcompany.com/\\_vti\\_bin/shtml.exe/tools.html](http://greshamcompany.com/_vti_bin/shtml.exe/tools.html)



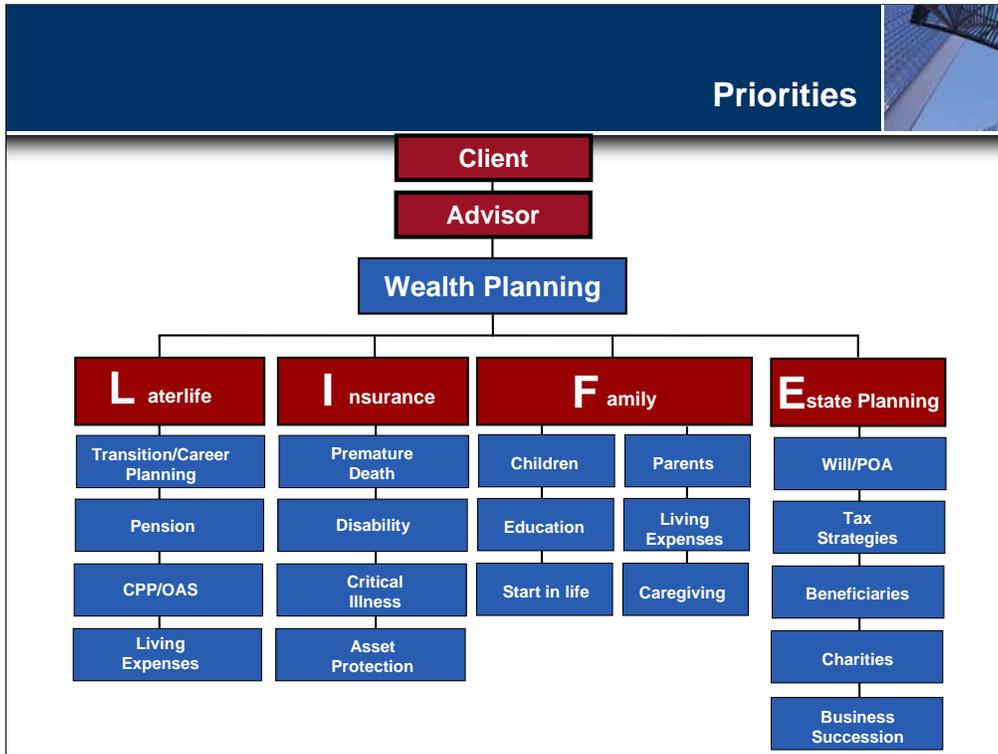
This is another discovery strategy to facilitate a discussion about your client and their family members in terms of how future events will impact them.

With this discovery process you would build this chart with the client, filling in the key players and their ages today down the left hand side and have a discussion about what could occur 5, 10, 15, 20 years from today and what they need to do now to prepare for those events.

The value of this type of discovery is

- that it brings attention to events in the future that the client might not have thought about
- it represents them visually which makes them more tangible to the client
- gives you a good starting point for a “life planning” discussion
- may uncover referral opportunities

You could also use the same concept with a client’s business, business partners and key employees.



Next you can look at Financial priorities. You've all seen various models like this one. **But this version breaks wealth planning into 4 categories that spell the word Life.** (explain each category)

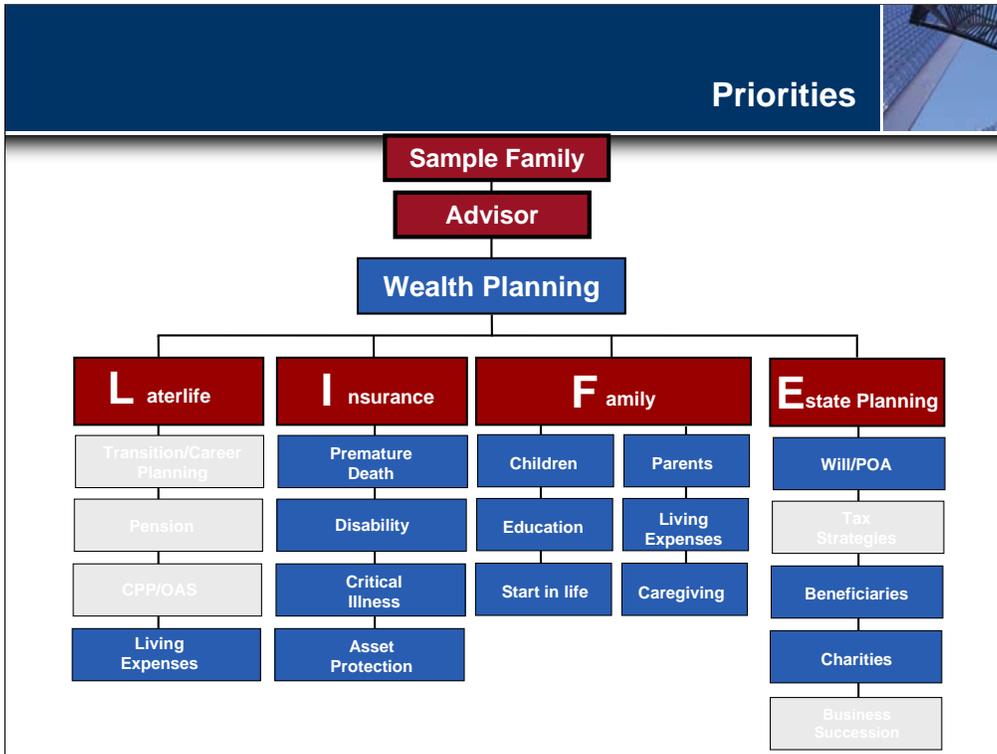
Once you have identified the High Probability and High Impact items in your client's life you can **direct the focus of these discussions to relevant areas on this chart from a life planning perspective.**

You can also use the family priorities in the future as a starting point with a new client.

**Idea:**

Could DRAW this chart for the client to increase their level of engagement.

**Note: You can download a copy of this chart to use with clients from the following website [www.ci.com/pd](http://www.ci.com/pd).**



Here is an example using our LIFE chart, that shows, in dark blue, the areas of interest for a client's family. In this example our client's main areas of interest from a wealth planning perspective are Laterlife and Estate Planning.

This focus would have been determined during the discovery process.

Circled areas have been removed. Critical Illness and Start in Life have been removed.



**Discovery strategies:**



Integrating into  
your practice

So before I talk about how to actually integrate some of these ideas into your practice...let's do a quick recap of the discovery strategies I have covered here today.

## PREP model of discovery



**P**eople and relationships

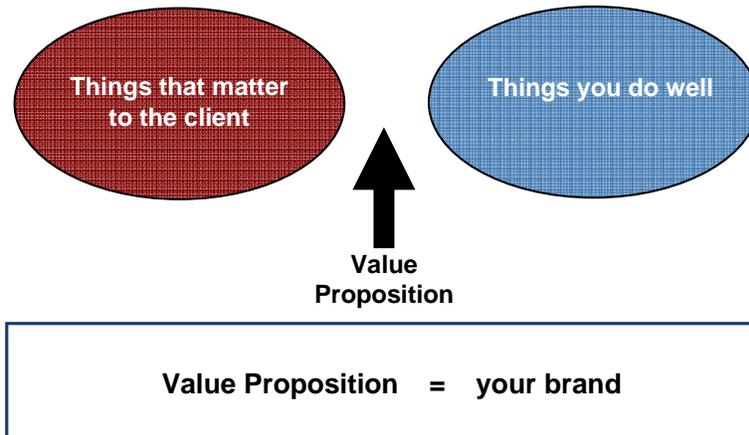
**R**isk profile

**E**motions and beliefs

**P**riorities

Here once again are the four elements of the PREP discovery model.  
(Briefly review each one on the slide).

### Discovery is a two-way process



Discovery is a two way process:

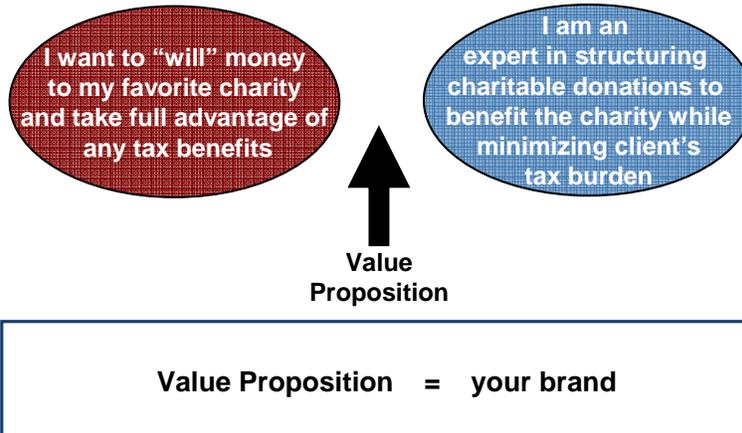
you have to know about the client in a deep way and they have to know about you equally as well – who you are, what your background is, what you believe in, what you do particularly well

The point where the “things that matter to the client” and the “things you do really well” intersect is your value proposition. Your value proposition is the cornerstone of your brand.

If one of the things you do well is having a robust discovery process – it should become part of your branding message so that clients are aware of the greater value that you bring to your relationship with them.

## Integrating into your practice

### Discovery is a two-way process



 Investments

Let's look at an example of an area of interest that matters to the client. In this example what matters to the client is being able to make a donation in his will to his favourite charity and to maximize the tax benefits of that donation.

From the advisor's perspective the corresponding skill or an example of "things the advisor does well" is the value proposition to the client.

In this case, our advisor is an expert in .....

### Branding: your “discovery” process

<b>B</b>	<b>Biography/Business</b> – <i>You as a person. Your stories. Your business.</i>
<b>R</b>	<b>Reasons for what you do/how you act</b> – <i>Business beliefs and behaviours.</i>
<b>A</b>	<b>Actions you take/processes</b> – <i>Client experience.</i>
<b>N</b>	<b>Niche served</b> – <i>The people you serve. Your ideal client. Your “tribe”.</i>
<b>D</b>	<b>Differences</b> – <i>Your focus. Your remarkable features.</i>



When we talk about brand it's not a logo or colours on a website. It much more than that. Your brand is:

- who you are as a person,
- the reasons behind what you do
- the actions and processes you have with clients – such as your discovery process
- the people who are your niche or ideal clients or as we have referred to earlier - your tribes
- and finally, what makes you different from other advisors

As I tell the advisors in our Brand Workshops, every action you take with a client forms part of their experience with you. Nothing goes unnoticed.

Everything contributes to either a positive or negative impression. Even the things you don't do have an effect.

**Note: You can download a copy of reference branding materials to use from the following website [www.ci.com/pd](http://www.ci.com/pd).**

## Integrating into your practice

### Investor's perception of importance



#### Investors

- don't understand what advisors do
- cannot measure good advice
- concerned with rates of return



#### Advisors

- often talk investments
- difficult to show impact of advice



This shows a general view investors have about the importance of investment performance vs. advice. This is a perception continually fueled by what they see on BNN, CNN, and in the papers.

But we need to change the public perception to this **(click)**

## Integrating into your practice

### Where it needs to be



#### Advisors

- offer complete wealth management solutions
- able to demonstrate the impact of advice



#### Investors

- understand what advisors do
- able to measure good advice
- value intangibles



by getting a full understanding of them, their families, their businesses and what they want out of life.

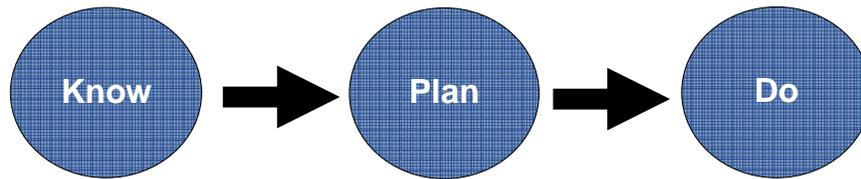
Having those deeper discovery conversations can change those perceptions so clients and prospects understand the real value you bring is more than just which investments will give them the best performance.



## Discovery strategies:



## Getting from “knowing” to “doing”

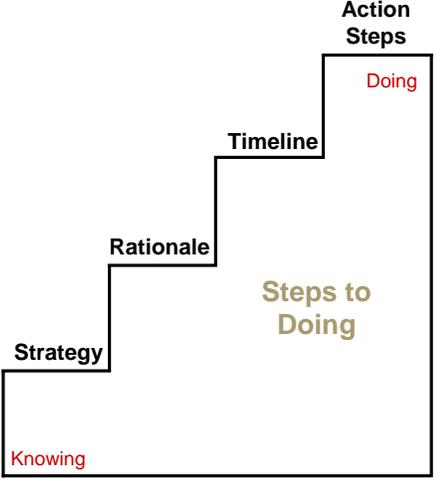


 Investments

And there is a good reason for that.

You need a plan beyond a note on a page or in your head.

## Getting from “knowing” to “doing”



**Strategic Implementation Plan**

Strategy:	
Rationale:	
Timeline:	
Action Steps:	
1.	
2.	
3.	
4.	
5.	
6.	
7.	



So to help you, we have included a strategic implementation plan to help you take an idea from this presentation and convert it into action steps.

Scheduling a team meeting on your return to the office and taking the time to go through the steps needed helps keep you accountable to complete that next step.

Accountability buddy – another advisor, your business coach

Setting out your action steps is a good idea.

Having a plan will get you there faster and with better results.

## Getting from “knowing” to “doing”



*“All truths are easy to understand once they are discovered; the point is to discover them.”*

*- Galileo*



## How we help you



Just before I wrap up - a quick reminder:

about what we do as the Strategic Business Development Group and where you can find other tools to help you in your practice.

Explain our offerings using the bulls eye.

- 1) Client Events
- 2) Roadshows
- 3) Workshops on branding – regionally
- 4) One-on-one consulting
- 5) Conferences
- 6) Website

**Note: You can find all of the tools mentioned today as well as other tools from the following website [www.ci.com/pd](http://www.ci.com/pd).**



# Realize your Potential

## Welcome to the CI Investments Professional Development site.

This site covers many topics and trends that are relevant to an advisor's practice. It also provides presentations and tools to help you develop your business and realize your potential. The three development areas listed below will help an advisor achieve the highest level of success. Each of these areas contains presentations and tools on a variety of topics. Click on any one to find out more. For a complete list of the CE credits available, please click on the CE Credits tab above.

This site will be continuously updated with additional resources. We welcome your feedback and suggestions for topics you would like to see here in the future. Please submit your ideas using the Contact Us button.

**Please note:** The letters in brackets next to each presentation or tool represent its code which can be used to identify the connection between presentations and specific tools.



### Managing Your Business

This section focuses on business management strategies that will help advisors achieve their business goals through all lifecycle stages of a practice: building, sustaining and transitioning. >



### Managing Your Clients

This section focuses on client strategies to help advisors build deeper relationships and educate clients on financial matters. >



### Managing Your Development

This section focuses on professional development strategies that will help advisors increase their knowledge, skills and financial leadership capabilities. >

### What's New

**Client Discovery (CT)**  
This presentation will provide you with a number of innovative ways to uncover the critical client details that standard fact finding discovery processes inevitably miss.

**Growth Imperative (GI)**  
This presentation will highlight some of the skills in the financial services business and their potential impact on your practice. It will also introduce three growth strategies that you can use to build your business.

**Power of Social Networking (SN)**  
The Social Networking phenomenon is growing and you need to be prepared for it. This presentation will explore the potential of Social Media as a marketing tool. It will also help you understand the risks associated with using Social Media and show you how to get started.

### Popular Links

CI Investment



**Professional Development**  
Build Your Potential

Home | Our Team | Success Stories | CE Credits | Resources

### Building

The building phase of an advisor's practice requires a dedicated focus on growth activities to ensure success. This involves developing a unique personal brand, creating an effective marketing strategy, generating business opportunities, and establishing a sustainable client base. The presentations and tools in this section will help advisors in all of these areas.

#### Presentations

- Client Discovery (CD)** PDF | PPT  
This presentation will provide you with a number of innovative ways to uncover the critical client needs that standard fact finding discovery processes inevitably miss.
- Growth Imperative (GI)** PDF  
This presentation will highlight some of the skills in the financial services business and their potential impact on your practice. It will also introduce three growth strategies that you can use to build your business.
- Personal Branding for Financial Advisors (PFA)** PDF | PPT  
This presentation introduces a proven framework to assist you in developing the core message you need to promote yourself effectively.
- Power of Social Networking (PSN)** PDF | PPT  
The Social Networking phenomenon is growing and you need to be prepared for it. This presentation will explore the potential of Social Media as a marketing tool. It will also help you understand the risks associated with using Social Media and show you how to get started.

#### Tools

- Brand Workbook (BFA)** PDF  
This workbook helps you develop your personal brand strategy.
- How to Develop Compelling Client Testimonials (BFA)** PDF  
This tool provides a five-step process for getting great client testimonials and shows you how to incorporate them into your marketing materials.
- Life comes at us...Fast (CD)** PDF  
A chart that you can use to help clients identify what issues and needs their family may face in the future and to help you discuss how your services can reach planning needs.
- My Life Events Worksheet (CE)** PDF  
A worksheet that you can use with your clients to determine the probability and impact of the life events that apply to them.
- Strategy Implementation Plan (CE)** PDF  
A worksheet that you can use to develop a plan of action to incorporate any new initiatives into your practice. It will help you to detail all of the necessary steps to succeed.

**ADVISOR WINNER**



## Thank you

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