



THE ELITE WEALTH MANAGER

BUILD A SIMPLE AND ELEGANT WEALTH MANAGEMENT BUSINESS

LEVERAGE ECONOMIC GLUE OVERVIEW

VIDEO TRANSCRIPTION

John Bowen: You are making great progress. We are now at strategy eight going ahead and leveraging economic glue. Now I got, I always want to start with these. This is my favorite one, but they're all my favorite and but each of them serves a different purpose. You know, the key that we're all looking to do is race up speed is so important and to race up the hierarchy of advisor's success. Well how do we do that? Well we again, we always go back to our model and what we see is that we have an opportunity to build a wealthy client pipeline. That's what we're looking to do. So, we're going to focus in, you know, once you become the talented expert, the idea here is we can create academic glue to leverage and create some best client partnerships. So, this is now strategy eight. And what we're doing is we're going to go, you know, look at the progress we've made here.

Let me put it up. We've made accelerators. We're right at economic glue where we're going to determine and apply the appropriate indirect financial incentives to the centers of influence are the accountant's attorneys. This is strategy, eight leveraging the economic glue. And this is one where so many of us haven't really understand economic glue and just as a big picture that what happens is if there's no business reason, there's no revenue or some type of economic value going on between two parties, they're going to tend to drift apart. You know, from a business standpoint, they may not do it on a social, but you can only have so many friends. And most of us said, if we're this far in business, we've got all the friends we need type thing. Now we might have a business associate that ends up becoming our strategic alliance becomes a good personal friend.

But initially we're looking at economic glue. So, let's dive into it together and how it all comes together. So, strategy seven, you know, going back, it was a first part of building your wealthy client pipeline. So, you establish yourself as the talented expert, the expert, the wealthy want to work with, and you greatly smoothed the way for your prospective clients to find you and engage. Now when we go into the strategy eight and nine, so you know, we're going here, we're going to start economic glue, but we're going to go to best client partnerships. These are the accelerators, but we're going to really dive in, in strategy nine the next one form profitable strategic partnerships. Now to make this all happen though, we've got to execute. So, let's go into how we're going to do it. We're going to create the other part of your wealthy client pipeline.

So, think of it, you know, the pipeline. We want a steady stream of pre-qualified, pre endorse wealthy clients, kind of wealthy prospective clients. So, they can come through client introductions like the second opinion. They can come from prospective clients that come through the various, you know, thought leadership, the workshops, word of mouth, Webinar. We can go on and on and all the different types of marketing. But what we find is with becoming the expert, the client wants, that you're going to have a much higher conversion with this thought leadership and position yourself high. But one of the things we have a big opportunity is with

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COIs because the centers of influence, the right ones, already have all the clients that you need to build a great business. So that's where we can now leverage it in strategy eight and nine. So, there are two major elements that are required to build a profitable strategic partnerships.

The first is value. You're going to bring value to the table. We know that and this is that economic glue that binds partnerships together. And the key is you have to have economic results and they should be consistent. So, the economic glue you bring to strategic partnerships is, and this is why we had, you have to be doing the thought leadership first, is you're going to bring a high value thought leadership, excuse me. And this is where you really have an opportunity. Now it's not only bringing the content but the guidance so that they can effectively position themselves as experts. And remember our definition of thought leadership. One is positioning yourself as you know really that top expert, the Go To advisor. Okay, we thought leadership. Second is monetizing it. And so, you have to be able to provide the guidance and that's what we're going to be doing over the next two strategies.

That's where the value comes in so that your strategic partner can position themselves as an expert and strategy eight that's what it's all about. We're going to talk about the economic glue. The second element is building successful strategic partnerships is a process for identifying the right partners cause not everyone's the right one. Structuring the partnership and making it work effective over time. That's where we're going to go with strategy nine when we go into form powerful strategic partnership, so well done, helping your COIs become thought leaders deeply motivates them to proactively identified their qualified wealthy clients and introduce you to them and then lobby those clients on your behalf. You know, think about that for a second. That's why we call, and we went back to, let me go back to the motto as we move in the strategy, or in this case, the accelerator nine, it's the best client partnership.

The thing that's happening is you have the ability with many of your COIs that you can help them generate more revenue by serving their existing clients. And they're going, you know, that becomes the economic glue through thought leadership and they're going to want to reciprocate and work with you. Well how are they going to reward you? Well, what they do is introduce you to their best clients. I mean, this is very powerful. So, as we continue on, you'll find that this is going to be one of the most important drivers for moving up market. And if we go back to the hierarchy, you know, the reason the big jump from rainmakers to COI or to the elite is the COI referrals, those introductions. And because what happens is the COIs, the accountants, the attorneys, and other professionals, they already have the clients, they have the detailed financials.

So, their ability to introduce you to the best clients that they have is huge. So, they're going to tend to refer up where clients tend to refer it laterally or down. So, this is where it really

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happens. Now you've got to put the whole foundation together. You know, you can't just start here, you've got to be able to deliver a great investment experience. Then advice beyond simply investing in the experimenter. And then we go to rainmaker because you're delivering such a great experience that now your clients want to share with you, with the people they care about. And then you're really ready to go ahead and leverage the COIs. Now as we look here, what do we have? So, you know, to source affluent clients include inquire, referrals, social media, all the different ways you can do it. The referrals from COIs are often the best.

So, if we look at exhibit 8.1 and let me go here and let's see if I can do it. Yeah, so where we get, it's always a little tricky here doing this on computer. There we go. So where are the newest clients? When we survey. This is a survey. I think it's 571 advisers that we did all very successful and 75% said they got their most clients through client referrals. Okay. That's why. And we want you to systematically do that and that's, that is going to be the second opinion and that's going to really help you dramatically. Centers of influence is only 18% of the new clients and then all the other sources, six and a half. So, we want to teach you the sec, you know, the working with COIs, but that's a smaller number. And then why are we putting so much, you know, if you look, we did two modules on second opinion.

We're doing a whole bunch, you know, really strategy eight, nine on our COIs. Why are we doing so much? But what happens is it's a lower quantity, but when we survey an ASO over here, we do have the sourcing, good. Where we asked, where did you get your best clients? And this is, we asked the question, where did you get your five best clients from? And what you find is best clients come from centers of influence, you know, the super majority and client referrals tend to, clients who tend to refer down, you know, versus up because you know, just the relationships and then what we look at, you know, we look at other sources. Yeah, it's meaningful. But what we find is we can get 90% of the benefit of getting best clients through just second opinions and COIs. And this is one of the reasons why, you know, you could race up quicker by knowing this.

And that's why we have this methodology. So, you know, if you look, again, this gives us the opportunity and the wealthy client pipeline. We're going to focus on now eight and nine to really pull this all together so that we have the economic glue and the best client partnerships so that we're going to have a steady stream of new clients being introduced, you know, very upmarket from our centers of influence. Okay, let's go ahead and let's close this. We can go here and do that. And that's really, you know, centers of influence are looking for ways to increase their income. And most advisors, unlike you, first don't know how to increase their income, help them increase and don't have the ability to get high quality thought leadership. So, we're going to give you a proven process to do this, and this is going to put you at an unfair competitive advantage to get those prize referrals.

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And that's really what we're going to do. And that's where the power of the leveraging economic glue. Okay. In this module, I'm going to go over three additional modules or this strategy, we're going to go over three additional modules. I'm going to talk about the power of thought leadership with COIs, the law of reciprocity, and what Russ and I called a multiplier effect, extremely powerful. And this is foundation before we go out and start putting together those strategic alliances with COIs. So, they introduce us to their best clients. I'll see you in the next video.