



THE ELITE WEALTH MANAGER

BUILD A SIMPLE AND ELEGANT WEALTH MANAGEMENT BUSINESS

IMPLEMENT WEALTH MANAGEMENT

THE FIVE KEY FINANCIAL CONCERNS OF THE AFFLUENT

VIDEO TRANSCRIPTION

John Bowen: The five key concerns of the affluent. This is something that I brought up and I'm going to bring up many, many times in any coaching program. Still bring it up in our round table, and then our highest-level coaching, the elite wealth council, which is a private client group that Russ and I have. We always bring this up. These are the big five. Let's go over them and I'll give you some framing, and then I'm going to go, then, into what we call the six CS, which really helps you understand what builds client loyalty. Then we're going to combine these two and put them together in a wealth management formula that's going to really build this all together in the experience of what we're doing in the elite wealth manager that's going to make a big difference. So, let's do it together.

The five key concerns. We've gone through, and what we're doing, all of us, is we want to take care of our client's most pressing, important financial concerns. Affluent clients have a choice. They want to work with really experts, true authorities, financial advisors who can help them make informed decisions about their most pressing financial challenges. We've got to be able to articulate their challenges so that they know that we know what they are. Now, I'm going to give you aggregate studies many times that we've done what we've found. It's always, this is one of the reasons why we're such a big believer in what we call the total client model. We're going to go in and ask a series of questions around seven major themes. We want to understand the unique needs of the particular prospective client sitting in front of you, the family sitting in front of you. But in marketing, communication, working with COIs, you need to be able to share what the framing is of what you do. Particularly when we get into the value promise, you'll see that this comes back because this is what we deliver.

So, how do we do it? The research we've seen, research we've done over and over again, the number one thing is wealthy people don't want to lose their wealth. I mean, it's amazing. They're very concerned about losing their wealth. What they want to do is they want to make smart decisions about their money so that they can have returns consistent with the rewards, the risk return, of getting their money back. Number one, again, this is for the affluent. Aggregate number one concern is making smart decisions about their money. We call that wealth preservation.

The second is wealth enhancement. This is all about tax mitigation. See, the challenges that all of us have a not too silent partner. If you're in the US you've got the federal government, the IRS, the not too silent partner with you. And then, depending on what state you live in, I live in California, Russ lives in Connecticut, two out of the three highest taxed states. That is pretty large amount that's being taken. Well, I can tell you that affluent individuals want to mitigate those taxes. We don't want to evade them, but we want to mitigate. Can we reduce them? Can we avoid them? And they're looking to you. So, when we start, when we look at the big five concerns, think of most of your advisor peers, financial advisors, we make all our money, the

VIDEO TRANSCRIPTION

vast majority, super majority of our money through assets that are managed most wealth advisors.

What you have is you have people that all they're interested in the assets, but by going and dealing with the major concerns that clients have beyond simply investing, you're going to differentiate yourself a lot. And then the question is, "Well, how do you do it?" I'm not a tax expert. You don't need to be a tax expert. We're going to show you, going back to the model again, one of the key things on the client experience that we're going to get to, is we'll go and show you how to build this professional network on the world-class client experience. That's where it really starts coming together. Okay. Tax mitigation.

Let's go to the next one. Third biggest concern is wealth transfer. They want help taking care of their heirs. They want to, the estate tax exemptions have gone up, we're going to go up and down based on who's in power politically at the time. But taking care of the heirs, the people we love, is really important to most of us. So, how can we design our affairs to maximize that efficiently, effective? Big issue.

Fourth is what we call wealth protection. One of the things that all the clients want or vast majority want to protect their wealth against litigation, divorce, catastrophes, and so on. And what we find is, so few advisors are doing this or are helping to facilitate it with other experts. This is where you can really raise the value.

Then lastly, a very large percentage of the affluent want to, the super majority want to, the causes they care about. They want to make gifts and they want to magnify the gifts and make a difference in the world. If we go back, and let's just go at a high level, five key concerns: making smart decisions about their money. Second, mitigating taxes. Third, going ahead and taking care of the heirs. Fourth, protecting the assets from being unjustly taken through litigation or divorce. Fifth, magnifying the charitable gifts to the extent they're charitable.

Well, let's think about that. You know that and sharing that's what you do is addressing those areas, puts it all together for them. And that's why we need to know the five key concerns. Now, we'll bring it together for you, but this is five that you should memorize, and you should be able to say it just as easy as I did. It's all here under the five key concerns. Okay. In the next video, I'm going to go into what we call the six CS of client loyalty. This is another foundation study that Russ did, and we've continued to do, and we've identified six CS that you should remember, or at least look up. This won't be in every conversation, but it should be used against any of your experiences and make sure you're delivering what clients want. I'll see you there.