

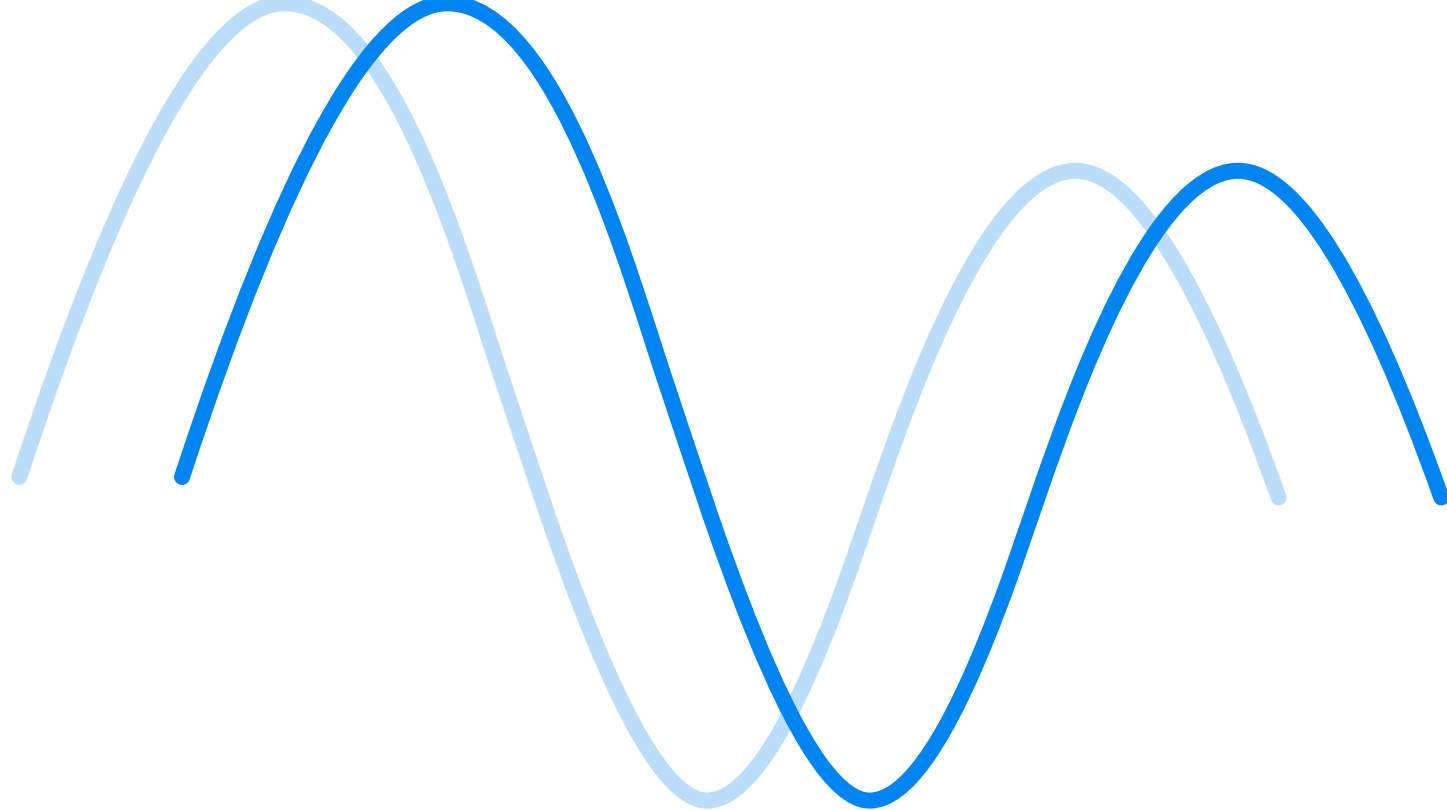
Mastering the Art of Modern Prospecting



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TREND ONE

Conversion Tracking is Lagging



Prospect Conversion Rates

PROSPECT CONVERSION	FIRMS
Less than 10%	4%
10-20%	23%
More than 20%	38%
No idea...	35%

CRITICAL ISSUES AND ACTIONABLE INTEL

- Historically after a period of market volatility, clients shift their assets to new advisors; thus 2021 offers incredible opportunities and risks for advisors' business development
- **Red Flag:** More than a third of firms don't know how many prospects they convert to clients
- **Take Action:** Sufficient equipment (sales tools, crms) exists to support conversion tracking—use them to implement measurement processes to understand the flow rates into the business
- **Take Action:** Proactively track your current clients' activity beyond your relationship, because whether you are or not, other firms are and will pursue your clients with personalized experiences

TREND TWO

Referrals are Top Source of New Business

Where New Clients Originate



CRITICAL ISSUES AND ACTIONABLE INTEL

- Ongoing client communication is a key business development tool for advisors to increase referrals
- Typically, customers with a higher propensity to refer have been with an advisor for less than two years, after that referrals dried up
- **Take Action:** Analyze the customer profiles of those referring to determine their triggers for giving referrals
- **Take Action:** Train advisors on how to ask for referrals, leverage a disciplined approach to nurture leads and consistently follow up
- **Take Action:** Increase content marketing to connect with and engage clients and prospects in order to be perceived as a valuable resource

TREND THREE

No Perfect Proposal Generation Tool Leaves Advisors to Build a Patchwork of Solutions

65% of Firms Rated the Effectiveness of their Proposal Generation Tools as “Medium” or “Low”



CRITICAL ISSUES AND ACTIONABLE INTEL

- Most advisors are using multiple tools and are seeking a more integrated solution
- Advisors want more automation, more customization and better reporting
- **Take Action:** There is a big opportunity for fintech to develop robust proposal generation tools

TREND FOUR

Social Selling is Appealing, but Not Fully Utilized



CRITICAL ISSUES AND ACTIONABLE INTEL

- Disparities in both cost and experience exist when it comes to implementation partners and configurers
- **Take Action:** Use a Managed Service Provider to ensure a strong foundation and long term success
- **Take Action:** Get schooled in the possibilities and requirements to make the investment worth it
- **Take Action:** LinkedIn continues to add functionalities, such as video, that the wealth management industry can use to engage their clients with targeted content

About F2 Strategy

F2 Strategy Research is the propriety research division of F2 Strategy, a leading global strategy consulting firm, delivering intellectual and advisory-based research on technology and business issues impacting the RIA, wealth, bank/trust and family office industries. With expertise spanning across the wealth management sector, we provide an unfair advantage to our clients and partners by illuminating industry gaps and delivering insights to help their businesses make great decisions.

The data in this report is pulled from a survey conducted by F2 Strategy in August. The survey includes responses from 39 RIA, Wealth Management and Asset Management firms representing \$7 trillion in assets. (The social media data was pulled from a different survey which had 17 firms responses.)