

How to Generate a Consistent, Quality Flow of Referrals from CPA's and Attorneys Manual

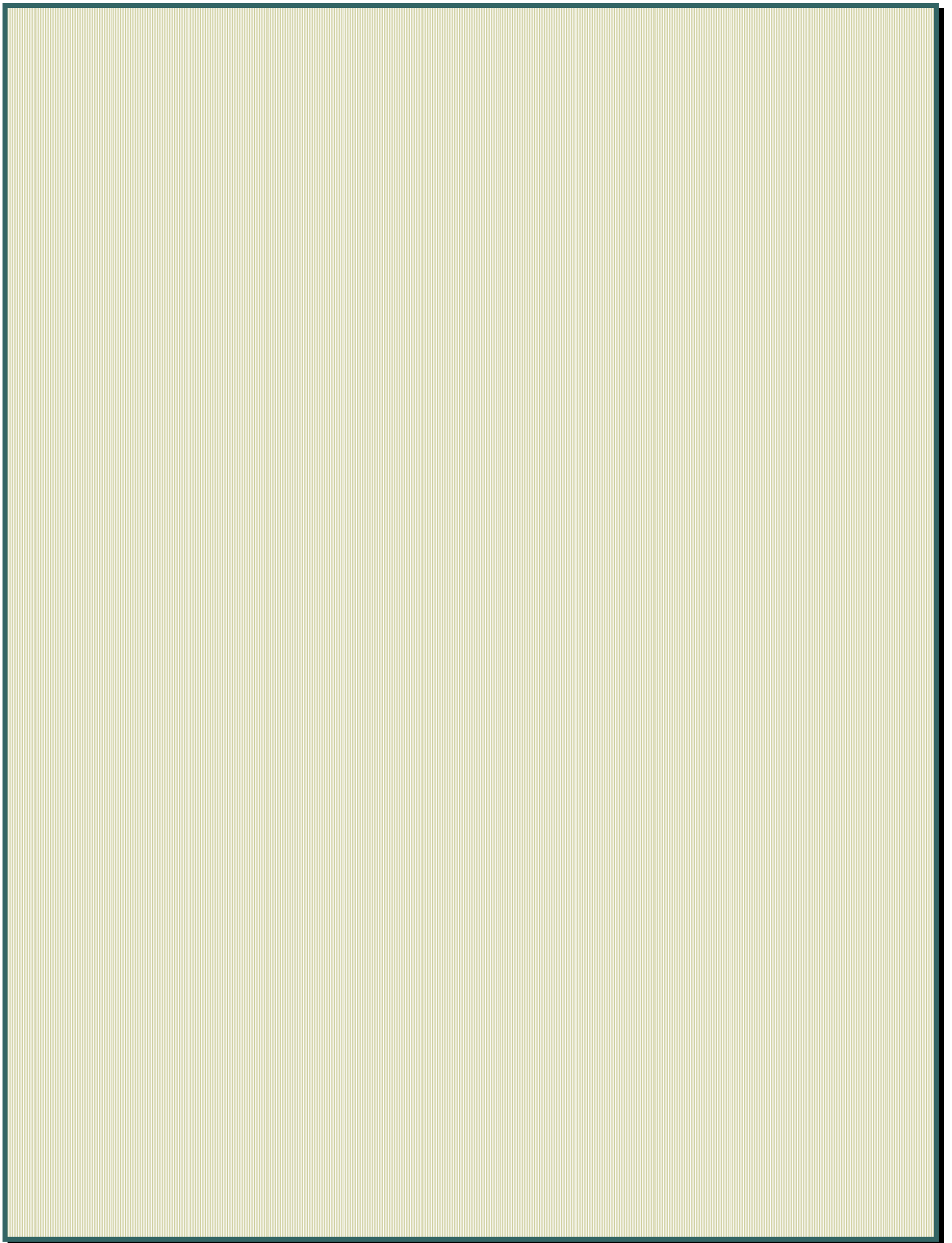


Table of Contents

Are we going to live with the pain or do something about it?	4
Finally ready to do what they should have been doing for years	5
Why don't CPA's and attorneys want to refer to us?	5
CPA's have big hearts	5
Attorneys have big egos.....	6
Same solution works for both problems	6
Build a referral machine	7
Feed their need!.....	8
Does This Really Work?.....	9
Do it?.....	9

“Everyday it gets a little more expensive and a little more difficult to get in front of people...”

- ◆ **Seminars** are becoming ineffective due to costs and the over saturation of their use.
- ◆ **Lead resources** are producing fewer and fewer quality leads.
- ◆ **Regulators** are making it more and more difficult to get an effective advertisement in front of the general public.

At a time when the public needs our advice more everyday due to the ever increasing complexity of the financial markets, it is becoming more difficult for high quality financial advisors to get in front of those that need them.

Are we going to live with the pain or do something about it?

Financial advisors have been able to get by for decades using a variety of marketing tools that did not require professional networking. We have, up to this point, chosen the easy route of impressing the public instead of our professional brothers, attorneys and CPA's.

The public is much easier to impress and they have a lot smaller egos. So, we did the easy thing and focused virtually all of our time and attention on the general public. Oh sure, we would maybe take a CPA out to lunch or refer a client or two to an estate planning attorney in the hopes that they would reciprocate and refer back. However, we did not set up the same type of systematic marketing to professionals that we did for the public with seminars, lead programs and advertisements.

We are finally getting to the end of our ropes. The things we did to get in front of people are just not working well enough for us to continue to grow our businesses. We have two choices: either be buried alive by the huge amounts of money now required for effective marketing or slowly strangle our practices with too few people to see. Neither is a solution to a comfortable retirement for us.

Finally ready to do what they should have been doing for years

Smart financial advisors everywhere are beginning to realize the advantages of leveraging referrals from CPA's and attorneys. As an industry, we have allowed them to take advantage of us for years. We have in good faith referred our clients out for tax preparation and legal work. We have ushered client after client out our door and into theirs. We have become their main source of referrals and income. In fact, many CPA's and attorneys would find their income cut in half if it wasn't for referrals provided to them by financial advisors.

Yet, how often do we see referrals back to us? Rarely. Up to this point all we have done is whined about the unfairness of it all. Enough is enough. Clients regularly ask their CPA's for the name of a good financial advisor and so do attorney's clients. Do they recommend us? Rarely.

Why don't CPA's and attorneys want to refer to us?

They give us all sorts of reasons why they don't refer.

- ◆ I'm not comfortable.
- ◆ You are just one of many advisors that refer to me and I don't want to bite the hand that feeds me.
- ◆ It doesn't come up.
- ◆ I will next time.
- ◆ And on and on...

I believe the reasons they don't refer back to us is different for CPA's than it is for attorneys. Of course, I am making general assumptions here, but hear me out.

CPA's have big hearts

I know that we think of CPA's as being these robotic, wooden humans that are void of emotions but think about it—CPA's protect their clients. They are almost like mother hens sheltering their broods from the big bad world. They do not want anything to hurt their clients. This is to be applauded.

Unfortunately, many CPA's are not really familiar with what we do for our clients. Since unfamiliarity breeds mistrust, they feel the best way to protect their clients is to recommend for their clients to stay the course...to do nothing.

Yes, maybe our suggestion could save their client taxes, but it might lose them money. Yes, maybe our solution is beautiful to us, but it is foreign to them. Yes, WE may want to help their clients, but THEY really want to help them.

It is much more difficult to get into trouble by doing nothing than doing something. As financial advisors, we know the trouble people get into by doing nothing: Paying too much in taxes. Not growing their money enough. Or trying to grow the money too fast and having a portfolio that is too aggressive during a market correction.

However, to an accountant, we all look like money grubbing salespeople that want to get at their client's wallets to fatten our own bank accounts. They know that a few of us are good, but why take the risk? So, just like we tell our kids, they tell their clients, "just say no" to whatever that financial advisor recommends. And God forbid that they would put their clients into the lion's den by recommending their clients come see us!

Attorneys have big egos

This is no surprise to most of you. Attorneys always have to be right. They have to be the center of attention. Their egos have to be fed. If you know an attorney, you know that they know everything about everything and would never stoop to having to ask for help from a mere mortal, like a financial advisor. They feel perfectly qualified to give their clients advice on any subject from law to heart surgery to car mechanics to financial planning.

Need I say more?

Same solution works for both problems

So CPA's don't trust us and attorneys think it is beneath them to refer to us. Two different problems but luckily the same solution works for both problems. In Dr. Cialdini's book, *Influence: Science and Practice*, he breaks influence down into six principles.

Utilizing a simple combination of five of those principles is what works.

Reciprocation – You, then me, then you, then me...

Be the first to give:

- ◆ Service
- ◆ Information
- ◆ Concessions

Authority – Showing knowledge...

Establish position through:

- ◆ Professionalism
- ◆ Industry knowledge
- ◆ Your credentials
- ◆ Admitting weaknesses first

Consistency – The starting point...

Start:

- ◆ Small and build
- ◆ With existing commitments
- ◆ From public positions
- ◆ Once you start, deliver on time, every time

Liking – Making friends to influence people...

Uncover:

- ◆ Similarities
- ◆ Areas for genuine compliments
- ◆ Opportunities for cooperation

Consensus – People proof, people power...

Unleash people power by showing:

- ◆ Responses of many others
- ◆ Others' past successes
- ◆ Testimonials of similar others

Build a referral machine

First, what is a machine? It is a device that modifies energy to perform or assist in the performance of a repetitive task. Another definition is a device for overcoming resistance at one point by applying force at some other point. Both of these concepts work well with how to get referrals from other professionals when combined with Dr. Cialdini's principles of influence.

For years we have known the value of dripping on our clients and prospects with newsletters, phone calls and other methods. It is a testament to how well this has worked that more and more entities use these tools.

Have you ever considered a drip program for CPA's and attorneys? Not simply sending them the same thing you send your prospects and clients! That does not make them feel special. If you try to use your client/prospect drip on them it simply seems like you added them as an afterthought—that you don't even look at them as professionals but just as some other sucker.

Feed their need!

By having a specialized drip program that leverages all of Dr. Cialdini's principles, you will effectively influence both CPA's and attorneys to begin to refer to you.

What should your CPA drip system include to let them know you will not hurt their clients that you only want to help?

Reciprocation – Give them information about the financial industry that can make their job easier. Not product information, but how different tax laws are affecting investments, easier ways to get 1099's at the end of the year, resources they may not have heard about, a heads-up about financial scams to look for, etc. Give them success stories about happy clients AND give them referrals.

Authority – By doing the above, you will also show them that you are a person that knows what's going on and that they can count on if they have an investment related question.

Consistency – By doing these things in a consistent manner, monthly or bi-weekly, they will see that you are here to stay and are reliable (HUGE issues with accountants)

Liking – By including things about your family and your activity in the charitable arena, they will begin to know you and your values. They will start to feel like they know you as a friend.

What information should your drip system include to feed attorneys' egos and make them feel important?

Reciprocation – Always genuinely compliment them. Mention other attorneys that have done a great job for your clients. Make them stars. Also, give them information about the financial industry that can make their job easier. Not product information, but how different estate laws are affecting investments, information on Medicare or LTC as it applies to legal advice, issues that may affect their clients, etc. Give them success stories about happy clients AND give them referrals.

Authority – By doing the above, you will also show them that you are a person that knows what's going on and that they can count on you if they have an investment related question. This is important to them so that they can have all the answers for their clients.

Scarcity – By mentioning attorneys that have done a great job, it will make other attorneys want to be mentioned as well (did we talk about egos earlier?)

Consistency – By doing these things in a consistent manner, monthly or bi-weekly, they will see that you are here to stay and are reliable.

Liking – By including things about your family and your activity in the charitable arena, they will begin to know you and your values. They will start to feel like they know you as a friend...and with attorneys it's all about who knows who.

Does This Really Work?

Nope. Because nobody does it. Yep. Because nobody does it. I take that back...I've coached over 400 of the top financial planners in the country. These guys are easily in the top 5% in income for advisors. How many of them take the time and effort to create and utilize these professional drip systems? Two—even with me yelling at them monthly to do it!

These two have had terrific success with it. Within one month of using a professional drip system, attorneys they had been referring clients to for over 10 years (without a single referral back) sent over 10 referrals in a week.

They have gone from being just another broker to someone that is respected and known and invited to speak at their gatherings.

They have gone from relying on the old methods of seminars, leads and ads to getting highly qualified and pre-sold prospects (I hope you already know that when an attorney or CPA refers their client, you have a 99.9% chance of getting the deal).

Do it?

You know that this works. Why aren't you doing it? Too hard? Haven't considered it before? Don't know how? No one else is doing it. You have a once-in-a-lifetime opportunity to get a strangle hold on the professionals in your town. Don't blow it!

Few people in the financial industry go after professional referrals aggressively, which is baffling. If you asked 100 advisors "In what manner they would like new people to come to see them," 99 of the 100 would say referrals from a CPA accountant or attorney

Sit down and think about the principles of influence and how you could incorporate them into regular scheduled contacts with targeted professionals in your community. The time spent will put hundreds of thousands of dollars into your pockets.

