



HOW-TO GUIDE

FOR AFFILIATE MARKETING



How to Use Affiliation Marketing

In an increasingly competitive environment, access to clients that might not otherwise attend your workshop is an important supplement to your marketing efforts. While you will never be able to abandon public marketing, access to the referrals that will materialize over time as a result of affiliations with CPAs, attorneys, and Non-Profit organizations will provide you with access to high-quality, high-net-worth prospects not generally available to others.

The process of building these kinds of relationships takes time. And the efforts must be **ongoing** and **systematic**. While many ideas are offered, the following discussion is intended only as a starting point from which it is expected that these concepts will be improved upon and refined as a result of your feedback and experience. This kind of interaction forms the basis of the “brain trust” that will ultimately bring these ideas to life and enable all Piece of Pie representatives to become more successful.

Affiliation Marketing Defined

Affiliation marketing revolves around the idea that other professionals in the community have established relationships with clients that would also benefit from your experience and expertise as a financial planner. Joint marketing and cross-referrals make obvious sense for you, but how about for them? The theory goes something like this: “By adding value and offering the kind of expertise that you as a financial advisor can provide, the client will benefit and the client’s experience with the CPA will be enhanced. As a result, the CPA can expect referrals from their existing client base as well as from you.”

So why doesn’t more of this go on? Because from the perspective of the CPA or attorney this path is lined with all kinds of hazards.

Characteristics of Affiliations

Be mindful that these professionals work in extremely regulated environments. These people are particularly sensitive to releasing a client’s information to you. They worry about the liability involved and really have no idea what kind of value you bring to the table. From their standpoint, they can only lose clients as a result of their referrals.

For you to be effective, therefore, you will have to paint a crystal-clear picture of the value you will bring to their practice and to their clients before they will entertain any thought of affiliating themselves with you.

How to Approach Them

Your existing clients will generally form the best basis for establishing a relationship with attorneys or CPAs. Your initial approach will be a phone call conveying the following:

Financial Planner: Hi, [CPA], my name is [Name]. It turns out that we have a mutual client, their names are John and Mary Smith and we were talking about you the other day. They enjoy working with you and they enjoy working with me and they suggested that we spend some time talking

for their benefit, because wherever possible they would like their team of professionals to coordinate their efforts to help save them money in taxes.

I was wondering if you would have some time to get together. I'm looking for other professionals in the area that will care for my clients the way I do, and I'd like to introduce you to some of my other clients just like John and Mary. I would just feel more comfortable if we could meet so that I can get a feel for you and your practice. I was wondering if we could get together for lunch one afternoon?

Set an appointment for a specific date and time.

Remember CPAs and Attorneys are sensitive about discussing their clients with you and wonder whether or not you really bring value to the table. By approaching them through an existing client:

1. They are comfortable that you already have access to the information regarding that client... nothing is required of them.
2. You probably share similar professional ethics, since John and Mary seem to be as pleased with their relationship with you as they are with the CPA.
3. You are asking to meet to see if the CPA is suitable for other referrals and are not asking for anything more.

Begin the lunch appointment by setting the tone:

Financial Planner: I want to learn more about your practice. I'm not here to sell you anything... I'm not here for your business... I'm not going to ask you to do your financial planning with me. I really am just concerned about finding some other professionals in the area that I feel comfortable with and will treat my clients with the same degree of professionalism that they have come to expect from me. I'm looking for someone who will care for my clients as much as I do. Is that the kind of practice that you run?

(Disarm him... do not ask for any business. Gather information about his practice. How many CPAs work at his firm? How many clients do they work with? What kinds of services do they provide? Who is the typical client? How do they generate additional business? What kind of professional organizations do they belong to? How long have they been in the community?)

At the end of the lunch meeting, begin discussing your client appreciation event.

By the way, every year I have a client appreciation party for my clients. Last year we had it in December, and we invited about 300 people. We had it at a really nice restaurant, and everyone was able to get together for a very nice time. I did a little talking there, but it was a very low key and fun social event.

When was the last time that you did something like that for your clients?

They will answer that they've never had an event like that.

The great thing that happened to me in January and February as result of that event is that I didn't really have to do any marketing. Everyone at the party told all their friends what a great time they had, and I started getting calls. The fish were chasing the boat. Isn't it a great thing when the fish chase the boat?

When is the anniversary of your tax practice? Why not have a client appreciation party for your clients? Are you talking to them about the tax law changes... are you bringing additional value to the table? Because what we found is that by talking to our clients about these other issues, it really opened up the opportunity to get more of their business and get them talking to their friends and family about working with us as well.

They respond that it sounds like a great idea.

Why don't we do it together? I'll pay the tab...I'll pay for all the food, the restaurant, the invitations and everything. The only thing I want is the opportunity to speak for 15 to 30 minutes to talk about the economy, to talk about some planning issues, and to talk about the new inherited IRA laws and tax changes. I call it "Healthcare, Wealth and Income."

How many clients do you have? We should probably plan this event for [a hundred people].

If at any point they question "what's in it for you?" you reply:

The opportunity to share my expertise and experience as a financial planner. And as an added sideline to your practice it's going to make you more valuable to your clients.

Do not include "case studies" in the kit but offer to make them available to the CPA. Case studies really get their attention. CPAs are analytical by nature. Simply use the formula of "situation – target – solution – results" when compiling a hypothetical. You had a client with this situation. Here is what he needed to accomplish. As an advisor, here is the solution you came up with. This has been the client's results to date.

Case studies really differentiate you from other advisors trying to romance CPAs and give you another excuse to follow up.

How to Follow Up

Again, case studies offer an opportunity for you to follow up with CPAs that may remain hesitant. Generally, however, your follow up will consist of coordinating and planning for the event. Remember, the event is a reflection of the CPA and his firm. It should be a high-quality wedding style invitation that does not reference you or your presentation in any way.

Your goal is to attract 40 to 50 buying units [or whatever is appropriate based on client size]. Explain to the CPA that you will plan for [50 to 100] people to attend (assume that most will be couples) and that you generally have to mail out twice that many because only half are typically able to attend.

Do not ask for his list of clients! Simply arrange for him to forward the list of invitations directly to the mail house. Everything else should be arranged by you.

You must meet with and update the CPA regularly. Remember, this is about building trust and rapport. Discuss with him ahead of time the fact that after your 20 to 30-minute presentation, you will extend an invitation for anyone who wishes to set an appointment for a “financial physical” at no cost or obligation. Offer the CPA the opportunity to be involved in these meetings. They will generally decline to be involved but will occasionally ask to be present.

Coordinate which specific dates and times will be made available for these appointments.

Do not give any handouts during the presentation. Remember this is a very low-key affair. Only the “Evaluation” form should be passed out at the end with specific dates and times for appointments clearly explained.

Are Attorneys Any Different?

When setting up any type of affiliation with an attorney, the process will be exactly the same. Again, contact them and notify them that you have a mutual client (he has prepared their trust, POAs, will, etc.) and they suggested that the two of you spend some time talking to coordinate your efforts.

When you arrive at the point of asking about having a client appreciation party, simply customize the language to reflect the legal work they do vs. the tax work the CPA does.

When is the anniversary of your law practice? Why not have a client appreciation party for your clients? Are you talking to them about the tax law changes, about inherited IRA trusts, or the Gift trusts that may be necessary as a result of a client’s substantial estate... are you bringing additional value to the table? Because what we found is that by talking to our clients about these other issues, it really opened up the opportunity to get more of their business and get them talking to their friends and family about working with us as well.

You will not offer case studies as a follow up. Remember, you cannot offer clients legal advice.

Niche Marketing Opportunities

While not true affiliations, niche marketing efforts help to differentiate your practice and expand your opportunities by targeting specific professions to attend your workshop. These professional groups include, but are not limited to, retired or retiring airline pilots, doctors, engineers, or teachers. The key to successfully tapping into these markets is the ability to access reliable databases and to design a workshop invitation that speaks directly to the target profession.

Retired or retiring teachers are an example of one such niche. Databases are available through standard list sources such as Experian, Equifax, or InfoUSA. All mail houses have access to these lists. Be mindful, however, that these specialized lists are more expensive.

No special contact other than the modified invitation is necessary. These professionals will simply receive an invitation that speaks directly to their specific concerns and situation.

The workshop presentation will remain intact and will only be slightly modified to reflect the changes in the invitation. None of the concepts or “hooks” in the workshop are different. Only the way in which we refer to them will change.

Where Do You Go from Here?

Generally speaking, these affiliations will serve to supplement your public workshops as well as generate additional referrals. However, these informal arrangements may over time evolve into more formal agreements.

It is ultimately possible for Limited Liability Partnerships to be formed where profits from the CPA and Financial Planning practices are shared and distributed to the partners of both practices.

There are a number of profit-sharing arrangements that can be structured to suit any individual circumstance.