



CLIENTSFIRST
7

Building a Successful Marketing Plan

Growth doesn't just happen. You have to plan for it.

A strong marketing plan can be essential to your business success, allowing you to capitalize on your strengths, focus on your highest potential clients and relationships, and deliver your message effectively.

In this workbook, we'll show you how to create a marketing plan in four steps.

1. Identify an ideal client or a target market.
2. Choose appropriate tools and tactics.
3. Develop a tactical plan and a marketing budget.
4. Track results and make adjustments.

Our goal is give you the tools to make marketing an integral part of your business—to help you set yourself apart from the competition and win and sustain profitable relationships.

Step 1:

Identify an ideal client or target market

The first step is to determine your business goals, core strengths and target market you'd like to focus your marketing efforts on. Most advisors find that they naturally gravitate to a specific type of client, through shared background and interests, similar social or networking groups, or personal style and preferences.

Business goals

When determining what your target market should be, you first need to evaluate which business goals you want to meet and quantify what success means to you. Some advisors would like to increase AUM or revenue and others are focused on net new clients. Once you choose your goals, it's important to ensure that your strengths and target market align to support your goals. You will find a worksheet on page 13–14 to help you develop your goals.

Identify your core strengths

What if all your client relationships were like your best, most profitable ones? By thinking about your most successful clients in your current practice, you can focus on your core strengths and build a marketing plan to attract similar clients.

My three largest relationships have what, if anything, in common? _____

The predominant focus of my business is (type of client, type of product/service) _____

I get the most referrals among (type of client) _____

My clients refer me to friends and family because _____

The part of my business that I enjoy most is _____

I know more about _____ than most of my competitors.

My last big win had these characteristics _____

Recently, several prospects have approached me about _____

(For example, charitable remainder trusts, women in transition looking to gain understanding and clarity about their finances or employees that are changing jobs and need to plan their rollover strategy)

CONDUCT FACE-TO-FACE RESEARCH

Are you unsure about the unique needs of the group you're targeting? You can gain valuable insights by meeting with a small "test group" of individuals whose profiles are similar to that of your target market.

Many advisors will utilize an advisory board, networking group or one-on-one meetings with clients that fit the profile or have similar characteristics of prospects they would like to meet. The purpose is to gain greater insight into the needs, challenges and buying behaviors of these people.

Choosing a target market

A target market can be any group of people who share a set of characteristics or investment needs. Here are some examples of target markets that other financial advisors have pursued successfully:

- Centers of influence (i.e., attorneys, CPAs, veterinarians, doctors, chiropractors)
- Small to mid-sized charitable foundations
- Ethnic groups
- Small business owners
- Retirees
- Women investors
- Executives
- Teachers

Develop a profile for your target market

Evaluate whether the target market you've identified is large and profitable enough to support your business growth. Compile as much data as you can find about the type of relationships you are targeting. You may be able to get more insight into the market you plan to serve through information sources like these:

- Key attributes of existing clients who fit this profile
- Professional directories
- Corporate directories
- Local newspapers
- National publications
- Associations and interest groups

Estimated # of people/organizations _____ Estimated \$ value _____

Where are they located? _____

Estimated # of people/organizations in my local market _____

How easily can I identify and locate prospects that fit this profile? List any:

Local associations or clubs _____

Alumni/professional associations _____

Targeted publications _____

Targeted mailing lists _____

Current clients who may provide referrals _____

Assess the competitive environment

Are there other financial advisors in my market competing for this business? (List your primary competitors.)

Think about ways to add value

What are the target market's primary needs from a financial advisor? _____

Are there unmet needs in this target market that I can identify? _____

Create your value proposition

Now you're ready to combine what you know about your own strengths and the target market's needs into a value proposition that explains your overall marketing strategy. You can be as creative as you like, or simply fill in the blanks of the template below.

I serve (type of customers) _____

by offering (type of advice or specialized expertise) _____

that meet their needs for (the primary needs of this customer base) _____

Step 2:

Choose appropriate tools and tactics

Now that you've identified your target market and created your value proposition, you need to consider marketing tactics—the techniques you will use to reach your prospects and implement your client retention strategy. Here are some of the most common ones that financial advisors use, along with a brief description of their advantages.

Reaching prospects through a targeted strategy

The purpose of evaluating your strengths and defining your target market is to build new relationships with people you want to work with through strategic marketing. Some tools and tactics are designed to attract prospects you do not have a current connection with by reaching out to them through *advertising, public relations* or *direct mail*. These types can be expensive, such as brand advertising; or they can take a long-time to yield results, such as public relations as you build your reputation.

Other types of prospecting can solicit warm introductions through *word of mouth, a formalized referral process* or *social media networking*. It is important to understand the differences and benefits of each type so that you can best gauge what types of results to expect. Prospecting and marketing requires consistency over time as you build your reputation for integrity, expertise and experience.

Solidifying existing relationships leads to retention and increased referrals

It probably comes as no surprise that it is easier to retain existing clients than to prospect and gain new clients. Also, a client that finds you continually add value through your expertise, treats them well and provides excellent service is more likely to refer you to their network. A strategic communications plan directed at your existing clients is some of the most valuable and profitable time and budget that you can spend. Components of a client communication plan could include various types of tactics such as *newsletters, social media* and *client appreciation events*.

Finding the optimal mix of long-term drip marketing and branding coupled with a plan for reaching existing clients will depend on your pre-determined goals and objectives. However, many advisors find that incorporating a few marketing tactics as opposed to relying on one type of marketing can be an effective way to reach a wider audience.

Marketing tactics

Now that you've identified your target market and created your value proposition, you need to consider which mix of marketing tactics will support your goals best. Here are some of the most common ones that financial advisors use.

Tactic	Benefits
Advertising	<ul style="list-style-type: none">▪ Raises awareness among a wide audience▪ Communicates simple messages▪ Helps to create an identity or image
Client Appreciation	<ul style="list-style-type: none">▪ Important element of a client retention strategy▪ Key source of referrals
Direct Mail	<ul style="list-style-type: none">▪ Targeted lists▪ Easy to track results
Networking	<ul style="list-style-type: none">▪ Discover shared interests with clients and prospects▪ Meet on a social level that provides easy introductions
Newsletters	<ul style="list-style-type: none">▪ Demonstrates expertise▪ Provides a consistency in contact (monthly or weekly)▪ Pre-packaged newsletters are easy and cost effective
Public Relations	<ul style="list-style-type: none">▪ Gain local and industry-wide recognition▪ Provide content that can be re-purposed for web, social media, and print▪ Implicit third-party endorsement▪ Lower cost compared to advertising
Seminars	<ul style="list-style-type: none">▪ Demonstrates expertise▪ Can be a natural way to ask for introductions from clients▪ Variety of pre-approved content to select from designed to target different interests, topics and audiences
Social Media	<ul style="list-style-type: none">▪ Inexpensive▪ Can be strategic in targeting certain groups▪ Provides an easy way to research new prospects, ask for referrals and understand your current clients better▪ Establish credibility as an expert on financial related topics
Surveys	<ul style="list-style-type: none">▪ Gain valuable feedback from your best clients▪ Understand areas that you can improve or focus more attention on
Website	<ul style="list-style-type: none">▪ Serves as the hub of all marketing communications

Examples	LPL Financial Resources
<ul style="list-style-type: none"> ▪ Print advertisement in local paper or newsletter ▪ Google search ▪ Sponsorship of charitable events 	<ul style="list-style-type: none"> ▪ Marketing On Demand has customizable ads on a variety of general topics such as retirement planning, college planning, insurance and rollovers
<ul style="list-style-type: none"> ▪ Events can be educational in nature or purely an act of appreciation ▪ Calls, gifts and cards in recognition of important milestones such as birthdays, graduation, babies, etc. 	<ul style="list-style-type: none"> ▪ ClientsFirst prospecting and events section gives ideas on topics and execution ▪ ClientsFirst seminar library gives access to client-approved content to conduct seminars on a variety of topics ▪ BranchNet Resource Center provides corporate discounts on vendors such as Tiffany's, flowers, gift baskets and more
<ul style="list-style-type: none"> ▪ Retirement planning prospecting ▪ Women in business 	<ul style="list-style-type: none"> ▪ Marketing On Demand has customizable letters and postcards targeted specifically to the needs of niche markets ▪ ClientsFirst has a campaigns section to select targeted content
<ul style="list-style-type: none"> ▪ Join special interest clubs such as wine, book, sports or philanthropies ▪ Professional associations such as Rotary 	
<ul style="list-style-type: none"> ▪ Weekly market commentary sent via email ▪ Monthly newsletter (printed /emailed/ posted online) ▪ Printed quarterly publication 	<ul style="list-style-type: none"> ▪ Utilize Newsletter OnDemand for LPL Financial Research commentary and ghost written articles ▪ <i>The Financial Standard</i>: printed quarterly ▪ <i>Independent Investor</i>: One complimentary article each month
<ul style="list-style-type: none"> ▪ Byline articles ▪ Press kit for distribution to local reporters ▪ Sponsorship of local events/charities 	<ul style="list-style-type: none"> ▪ Third-party resource: KCD PR (www.kcdpr.com) ▪ ClientsFirst articles library covers a variety of topics including 401(k), retirement, insurance, general investing and more
<ul style="list-style-type: none"> ▪ Host educational seminars on investment related topics such as retirement planning ▪ Combine education with client appreciation and discuss topics such as social security, or fraud protection ▪ Volunteer to be an expert guest speaker at local associations or meetings 	<ul style="list-style-type: none"> ▪ ClientsFirst seminar library for client-approved presentations and supporting materials ▪ Networking OnDemand automatically populates your Facebook page
<ul style="list-style-type: none"> ▪ LinkedIn business profile ▪ Facebook business page ▪ Twitter account 	<ul style="list-style-type: none"> ▪ ClientsFirst has a step by step guide to getting started
<ul style="list-style-type: none"> ▪ Clients satisfaction ▪ Evaluate the success of events you hosted ▪ Find out what type of information your clients would be interested in hearing about 	<ul style="list-style-type: none"> ▪ Newsletter OnDemand has a survey tool available on topics such as client satisfaction
<ul style="list-style-type: none"> ▪ Professional business website 	<ul style="list-style-type: none"> ▪ LiveOffice AdvisorSquare

Which marketing activities work best for you?

Every financial advisor is different, with a different set of abilities and experiences. It's important to design a marketing plan that fits your business and personal style. Take some time to review your past experience with each of these marketing activities and rate them on their effectiveness.

Tactic	Used in the past? (yes or no)	How effective was it for you? (Describe any impact, including # of new clients, # of new meetings, # of times existing clients or other acquaintances mentioned it)	Rate from 1–5, with 1 being most effective and 5 being not effective at all
Advertising			
Client Appreciation			
Direct Mail			
Networking			
Newsletters			
Public Relations			
Seminars			
Social Media			
Surveys			
Website			

Make sure your marketing program emphasizes strategies that worked for you in the past, but also try some new ones. Experts recommend allocating no more than 10% of your marketing budget to strategies or programs you haven't tried before.

Take advantage of LPL Financial marketing programs and partnerships

You don't have to create your marketing materials from scratch. LPL Financial offers a wide range of cost-effective services, as well as access to comprehensive programs from a variety of partners.

CLIENTSFIRST WEBSITE

Visit the **ClientsFirst** website at www.lplclientsfirst.com for the latest sponsor programs, letters, seminars, and more, all designed to help you *find* new clients, *convert* prospects to clients, and *keep* your current clients. All materials designed for use with clients have been compliance-approved.



ClientsFirst website

MARKETING ON DEMAND

Easily customizable stationery, business cards, brochures, and other marketing materials are available through the Marketing On Demand online ordering system, <https://lplmarketingondemand.com>.



Marketing On Demand

DIRECT MAIL

Through Marketing On Demand, you can select from a variety of customized letters and postcards. Marketing On Demand can make execution even easier by mailing your materials for you.

LETTER LIBRARY

There is a variety of compliance-approved prospecting and client letters available through the **ClientsFirst** website at www.lplclientsfirst.com. These letters are designed to resonate with key investor profiles, including retirement, unique niche markets, and investors interested in market analysis and opportunity.



Newsletter OnDemand

NEWSLETTER ONDEMAND

Monthly electronic newsletters are a great way to stay in touch with clients and prospects, and they're easy and cost effective to maintain with Newsletter OnDemand. This program lets you choose up to five market-relevant articles for your newsletter and customize it with your photograph, company logo and colors, and contact information. You also have the option to repurpose content to be used for your Facebook account. The client survey tool is also part of the package to enable you to gain valuable feedback from your clients. Newsletter OnDemand is available on the BranchNet Resource Center's Marketing page under Marketing Materials | Newsletters.

SEMINAR LIBRARY

We offer a full library of seminars to support your business. Through the **ClientsFirst** website, www.lplclientsfirst.com, you can find ready-to-use presentations as well as support materials like invitation mailers and flyers, worksheets, seminar evaluation forms, thank you letters, and much more in the Seminar Library section.



Seminar Library

Step 3:

Develop a tactical plan and a marketing budget

Now that you've defined your target market and considered various tools and tactics for marketing your business, you're ready to develop your marketing plan.

A written marketing plan can help ensure that your marketing efforts are sustained and consistent. It can help you identify and focus on marketing that supports your most important goals. And it can help you measure results so that you reinforce programs that are working well and spend less time on those that are not contributing to your success.

A good marketing plan doesn't have to be long or overly detailed, but it should provide a succinct overview of your business, your challenges, your goals for the coming year, and the strategies you'll use to pursue those goals. Most experts say that a good marketing plan should have six basic elements, which can be found on the following pages.

1. Objectives

Set objective, measurable goals by which you will gauge your success. Be as specific as you can, stating not just "more business," but *how much* more business. Think about realistic targets for:

Increased AUM _____

Number of new clients _____

Number of meetings with prospects _____

Number of meetings with referrals _____

2. Business analysis

Describe your business objectives and focus, sales, and profitability history.

Business objectives and focus

What has your business focus been in the past? _____

What is it now? _____

Sales history | New client account history

What were your sales over the last five years? How many new clients did you attract that fit your target profile?

2010:	_____
2009:	_____
2008:	_____
2007:	_____
2006:	_____

Have you met your sales objectives? _____

Explain any specific factors that influenced sales: _____

Profitability

How profitable has your business been? _____

Explain any specific factors that affected profitability: _____

3. Market environment

Provide an overview of the market in which you are operating.

How fast is your target market growing? _____

What are the key trends in the target market you serve? _____

Are client attitudes or buying patterns changing? _____

Has the competitive landscape changed? Are there more competitors or different ones? _____

Are changes in laws or regulations affecting your business? _____

4. Challenges and opportunities

Describe the opportunity you're targeting and evaluate possible obstacles.

What do you see as your biggest source of potential new business over the next year? _____

What are your key advantages and opportunities in this market? _____

What challenges or difficulties do you have to overcome? _____

How will you try to overcome your challenges or capture opportunities? _____

5. Marketing strategy and calendar

Now that you have the tactics and frequency of communications, it is important to schedule out your marketing on a calendar. This will also enable you to leverage support staff to help you implement and keep track of marketing efforts.

A sample schedule for four months

Month	Tactic and audience	Details and frequency	Date
January	Survey – Existing clients	Use Newsletter OnDemand to send a client satisfaction survey	1/24/11
February	Client Appreciation – Have a valentine’s brunch for widowed, divorced and single women.	Use Brockton Villa in La Jolla as an annual event.	2/20/11
March	Community – Attend and sponsor a table at charity dinner in your community.	Held at the Hilton and will invite four clients and ask them to bring a couple as their guests.	3/26/11
April	Seminar – Current clients and encourage them to invite a friend.	Educational seminar on Social Security. This is the first of a series of educational seminars that will occur quarterly.	4/21/11
May			
June			
July			
August			
September			
October			
November			
December			

Ongoing tactics

Weekly

- **LPL Financial Research Weekly Commentary** – Set up to have the weekly *LPL Financial Research Commentary* emailed to clients through Newsletter OnDemand or your own CRM.

Monthly

- **Advertisement** – ¼ page ad in the *La Jolla Light*, which serves a five-mile radius. Submit by the first of the month.
- **Newsletter OnDemand** – Select five stories and send to clients and hot prospect list on the 15th of the month.

Quarterly

- **Financial Standard** – Printed publication to all clients.

6. Marketing budget

The amount you allocate to marketing is largely dependent on your profitability. As a guideline, LPL Financial Marketing usually suggests 5–7% of your revenue as a starting point.

How much does marketing cost?

Marketing costs vary widely from city to city and vehicle to vehicle. Before creating a budget, check your estimates with the vendors and media outlets you are considering. Don't forget to incorporate indirect costs, including the cost of your time and that of your staff.

Tactic	Detail	Direct marketing costs
Advertising	Ad in local newspaper	\$
	Newspaper insert	\$
	Local radio spot	\$
	Local television spot	\$
Bylined Articles (If ghost-written)	1.	\$
	2.	\$
	3.	\$
Client Appreciation (Depends on size, scope, and level of sponsorship)	1.	\$
	2.	\$
	3.	\$
	Event Cost	\$
Direct Mail	500-person mailing	\$
Public Relations (Including press kit, news releases, events)	1.	\$
	2.	\$
	3.	\$
Networking	URL:	\$
Newsletters	Quarterly mailing	\$
Seminars	100-person seminar	\$
	30-person seminar	\$
Website	Initial design	\$
	Annual subscription fee	\$

Remember to budget your time as well as money. Make your marketing efforts a standard part of your daily or weekly schedule.

A sample marketing budget

Tactic	Detail	Cost	Frequency (per year)	Total for the year
Advertising	Local newspaper	\$50 per week	52	\$2,600
Direct Mail	Marketing On Demand postcards to 1,000 prospects	\$670 for printing and postage	4 times to the same group	\$2,680
Newsletter	Newsletter OnDemand	\$25 per month	12	\$300
Website	Basic LiveOffice AdvisorSquare website	\$1,235 per year (does not include one-time, first year, set-up costs)	1	\$1,235
Seminar	40 prospects and split the cost with a wholesaler	\$5,000	4	\$10,000 (half the cost due to wholesaler partnership)
Event	Client appreciation event for 50 clients	\$5,000	2	\$10,000
	Buy a table at a client's charity	\$1,000	2	\$2,000
Bylined Article	Use marketing articles or letters on BranchNet Resource Center	Free	6	Free
Total				\$28,815

Your marketing budget

Tactics	Detail	Cost	Frequency (per year)	Total for the year
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
		\$		
Total				\$

Download this Marketing Budget Worksheet on the **ClientsFirst** website, www.lplclientsfirst.com under **ClientsFirst** Institute and Marketing Worksheets.

Step 4:

Track results and make adjustments

Marketing is never an end in itself. It should drive tangible, measurable results—such as new client relationships, additional business from existing clients, increased assets under management, and higher revenues and profits for your practice. By tracking results, you can assess the success of your marketing plan, make adjustments, and allocate your resources to the most effective tactics.

CRM: Client relationship management tools

A good tracking system will tell you how much each marketing initiative costs, both directly and indirectly, and how much total cost is associated with the activities to bring in new business. By comparing return on investment across marketing tactics, you can determine which ones are your strongest performers and concentrate your time and money on those with the highest potential.

Implementing an effective client relationship management (CRM) tool can help you track and follow up on client and prospect calls in a highly efficient manner. It also helps you track the effectiveness of your campaigns and spending. There are some valuable solutions in the market now you may want to consider that easily integrate into your business tools. Some of the most popular with financial advisors include salesforce.com, ACT for Financial Professionals, Goldmine, Redtail, and Juncture.

In a highly competitive environment, the ability to know your clients better and stay connected becomes increasingly important. The main features that most CRM tools offer are the ability to have one place to store client information, collect notes, filter contact information, schedule tasks for team members, create recurring actions, and classify clients.

To figure out which CRM tool will work best for your needs, you'll need to evaluate their offerings. There are relatively low-cost options that help you systematize your prospecting efforts. In addition, there are CRM tools that are specifically built for financial advisors and capture more specific information to their needs such as model allocations and risk tolerance.

Measure return on marketing investment by client profitability

The success of your marketing efforts is measured by how well they translate into profitability for your practice.

You can adapt the worksheet featured on the next page to the specifics of your own practice, but the point is to clearly understand the tangible return on your marketing activities.

This knowledge can be an important driver of your marketing strategy and help you position your resources more effectively.

A system for creating marketing programs that work

Effective marketing is the key to building your business—to attracting clients, increasing assets under management and raising your profitability. Great marketing requires thoughtful planning. To work successfully, your marketing plan should be built around your business' strengths and tailored to its long-term objectives. It should take advantage of the most appropriate and cost-effective marketing tactics, and it should be continually tracked.

LPL Financial is committed to your success, and we support your marketing efforts through a variety of programs and services—from the ability to customize marketing collateral to on-demand client newsletters to pre-packaged seminars.

For more information about how we can help you design and implement an effective marketing program, contact the **ClientsFirst** marketing team at (800) 877-7210, ext. 6407, or lplclientsfirst@lpl.com.



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