Value Proposition Insights

Janet Kelly, Practice Management Consulting, Pershing LLC (a BNY Mellon Company)
Janet Kelly
Vice President, Head of Practice Management Team, Pershing, a BNY Mellon Company

With over 20 years in the financial services industry, Janet has successfully engaged and inspired hundreds of individuals and teams, including financial advisors, private bankers, institutional salespeople and senior executives. These professionals look to her for guidance and advice across critical areas of managing a successful practice, client acquisition and retention strategies. Janet is known for her sales and presentation skills coaching. She is passionate about making a difference by sharing the best practices, allowing financial professionals to leverage her expertise for greater confidence.

Prior to joining Pershing, Janet was a director and senior program manager for UBS, where she designed, developed and delivered programs for financial advisors, from large-scale conferences to local market workshops. Janet has worked for Merrill Lynch, Shearson Lehman Brothers and several financial consulting firms. She began her career as a financial advisor at Merrill Lynch and later with Shearson Lehman Brothers. Janet earned a Bachelor of Business Administration from The University of Texas at Austin with a concentration in marketing.
Objectives

- Know Unique Value Proposition importance
- Understand UVP client implications
- Define and Deliver Unique Value Proposition
What is a Unique Value Proposition?
Why Choose You?
• Increases Professionalism
• Differentiates you and your offer
• Provides a connection with clients/prospects
• Offers clarity to clients/prospects
• Provides a compelling reason to select YOU
Research to support the importance of having a strong value proposition

83% of advisors say they have a defined value proposition

60% of investors say all advisors make the same promises

26% of advisors “strongly agree” that their clients can articulate what differentiates them from other advisors

Pershing’s second annual Study of Advisory Success, December 2013; Pershing’s What Do Top Advisors Say…? 2014
3 Essential Questions

**Unique**
What is it that makes you stand out?

**Value**
What client challenges do you typically address?

**Proposition**
What do you offer your clients?
Top Five Findings: Investors Judge Top Advisors’ Value Propositions

- Include "The Promises" in a unique way
- Don’t oversell simplicity
- Emphasize being conservative
- Address trust, integrity, accountability
- Add Emotion
What Is on Investors’ Minds When They Seek an Advisor?

- **Client focused/Understanding my personal situation/needs**
  - 17%
  - "Know me well enough to be aware of my wants and needs."

- **Expertise/Ability to give good financial advice**
  - 13%
  - "In-depth knowledge of the markets, objectivity, prudence, and above all, honesty."

- **Honesty/Integrity**
  - 14%
  - "Integrity and real concern for my interests."

- **Availability/Accessible**
  - 7%

- **Trust**
  - 13%
  - "That I can trust the advisor; I want them to see the whole financial picture so they can help avert catastrophe."

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*What Do Top Advisors Say and What Do Investors Really Think? 2014 Pershing Research Study*
Find Opportunities Neglected by Other Advisors

Many advisors talk about these concepts—but investors don’t attach much importance to them.

Frequently Mentioned/Low Importance
- Estate planning
- Holistic
- Simple/relieve burden/peace of mind

Frequently Mentioned / High Importance
- Develop/tailor solutions to meet needs
- Provide investment management programs
- Work in your best interest

Rarely Mentioned/Low Importance
- Volatile markets

Rarely Mentioned / High Importance
- Trust/integrity/Fiduciary duty/Accountability
- Capital preservation & income
- Legacy

Unclaimed territory: Investors really care about these issues—but most advisors don’t address them. Be among the few who do, and your firm will stand out.

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## Word Pairing Reveals Some Clear Language Preferences

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- **Comprehensive Approach**
- **Passionate**
- **Unwavering**
- **Comprehensive**
- **Comprehensive**

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Language Matters in Your Word Choices

I have the CFP, CFA and CIMA
I relentlessly seek knowledge to stay equipped to address the issues that impact my clients

I have 20 years of experience
I have managed clients’ futures through 10 market corrections and two recessions

We take a “planning-based” approach
We believe the best results start by having a plan that is all your own and that we agree to together
Sample Value Proposition Statements

Our team delivers more value to our clients by exploring every avenue to uncover and solve problems. We know the critical questions to ask; and we listen closely to what you say and, more significantly, what you may not say.

We deliver advice that is integrated, comprehensive and customized for you, with each member of our team contributing specialized perspectives and expertise.

We strive to preserve and grow your wealth while helping you make the best long-term decisions through our portfolio management process—based on disciplined planning and analysis of your overall financial situation.
ARE YOU SOMEONE WHO LIKES TO BE TAKEN CARE OF?

The wealth management experience we’ve created liberates you from worry and introduces you to opportunity.

That’s what happens when you enjoy direct collaboration with industry leaders and pioneers. When your financial plan aligns immaculately with your life goals. When your investments are managed with the same sophistication as those of major institutions. And when technology makes possible unprecedented levels of personal communication and access to intelligence.

You can be as hands-on or hands-off as you want to be. We never stop driving you toward your objectives and fine-tuning the details of your account. We communicate with you constantly, through whatever channels you prefer. Whatever degree of integration you require with attorneys, tax specialists, insurance professionals, bankers, we provide it.
Test Your Value Proposition

- Tell your story with confidence and passion?
- Establish an emotional connections?
- Create interest?
- Elaborate on ideas behind your key words and phrases – answer the “so what”?

- Plain language?
- Specific?
- Brief?
Does your Unique Value Proposition change for different client groups?
Reframing is changing an incorrect perception into a positive one by changing the frame of reference
3 Essential Questions

Unique
What is it that makes you stand out?

Value
What client challenges do you typically address?

Proposition
What do you offer your clients?
Take Action

Share with your team

Stress test with trusted clients
**SHOWCASE YOUR VALUE**

Your value proposition describes the promise you make to your clients. It will guide clients and prospects on how to select you to be their advisor.

Your value proposition is created by answering these 3 essential questions:

1. What makes you unique?
2. What makes you valuable?
3. What do you offer clients?

Your answers to these 3 essential questions will provide the foundation for your unique value proposition, which should be:

- **UNIQUE**
- **VALUE**
- **PROPOSITION**

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**Positioning and Outreach for Growth**

**Client Conversion: Compass Test Plan and Referral Actions**

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<th>Client Name</th>
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<th>Idea/Positioning</th>
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Unique Value Proposition
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